

Marketing and Communication Context of the Future in the Swiss and International Construction Service Industry.

An Explorative Qualitative Research: Discovering the Development of Marketing and Communication and its Importance in the future.

Master Thesis

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Matriculation Number: 12-538-997

Place, Date: Basel, June 2nd, 2017

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Study Programme: MSc in International Management

Extended Abstract

The aim of this master thesis is to research the future of marketing and communication in the Swiss and international construction service industry. The construction service industry is viewed as a rather traditional and passive industry with various actors. However, the digitalization is forecasted to transform the industry fundamentally (Agarwal, Chandrasekaran and Sridhar, 2016; Leviäkangas, Paik and Moon, 2017; SIA, 2017). Within this passive industry, marketing and communication often plays a minor role and therefore might not exploit its full potential (Bachofner, 2013; Fässler, 2016; Rwelamila and Lethola, 1998; Whitmeyer, 2017). The study is focusing on the following three research objectives:

1. To analyze existing and discover the future marketing and communication context in the construction service industry.
2. To determine the importance of marketing and communication in the construction service industry and to identify strategies to improve its effectiveness.
3. To examine how to allocate the marketing and communication budget in the future.

The methodology for the research was almost purely qualitative. The non-probabilistic sampling includes three groups of research participants: company representatives, experts and clients. Including three different populations in the research design ensures a higher quality of data and might have result in more realistic findings. The multi-method qualitative data collection is based on 18 semi-structured interviews with Swiss and international interviewees. The gathered data was analyzed with the help of deductive as well as inductive qualitative coding. As with any explorative and qualitative research, this study is not without limitations. First of all, the focus on the construction service industry limits the direct generalisation of the findings to other industries. Secondly, this study is focusing on larger engineering, planning and consulting companies in the construction industry only. Thirdly, the number of research participants is restricted due to the scope of the study. Nevertheless, the study results in numerous findings which are both relevant for theory and practice.

The findings of the study show that the importance of marketing and communication in the construction service industry remains debatable. The skepticism is - among other reasons – based on the strict submission regulations of the industry and that it is impossible to measure a direct conversion rate. This also explains the mostly conservative marketing and communication budgets in the industry. However, decision makers need to realize that marketing and communication is an investment rather than an expense. Presuming the relevance of marketing and communication, a number of trends and potential developments were identified in this study. First of all, it is important that companies in the construction service industry elaborate an explicit marketing and communication strategy, which should be analyzed and updated regularly. The shift from today's still very offline oriented

marketing and communication towards online marketing and communication will continue vigorously. Starting with advanced websites and an increasing use of videos and other visual content in the short-term, (web based) thought leadership and content marketing as well as customized marketing and communication are targeted in the medium- to long-term. Receiving relevant, personalized information is a clear progression for clients compared to today's commonly applied "one-size-fits-all" mass marketing and communication approach. The foundation for these developments are spreading new technologies such as artificial intelligence and big data, which will have a major impact on marketing and communication in the construction service industry.

Marketing and communication is forced to develop further due to the upcoming fundamental industry transformation based on the digitalization. Moreover, the foreseen generational transition leads to new decision makers from internet affine generations, who think, work and decide differently. This clarifies again the importance of thought leadership and expert knowledge. Bearing this in mind, attracting and retaining talented experts, and thus employer branding, is of key importance in this knowledge based industry. Even with the upcoming digitalization, the construction service industry is expected to remain a people oriented business, where personal relationships are the base for collaboration and procurements. Moreover, branding will keep its importance. Relationships, being known and having a good reputation is essential for construction service companies in order to be considered when clients assign orders, in particular for small and medium sized projects. Due to the submission regulations, large projects have to be assigned through a tender process, where every qualified company can propose an offer. In reverse, this means that companies better focus to market their qualification and expertise for small to medium sized projects and orders from private organizations, which are usually assigned directly or with the help of an invitation process. Many findings are corresponding with the literature, such as the latest CMAB study and other academic research (2017). However, there are new findings as well, such as the one described lastly to focus marketing and communication on small and medium sized projects, which require further research for validation.

The explorative nature of the study but also the research objectives led to various practical implications. Nonetheless, researching marketing and communication in connection to the characteristics of the construction service industry and including upcoming technological opportunities is a valuable contribution to the scientific progress and interesting for an international audience in this specific field and might contribute considerably to academic business research. The findings of this study are helping responsible people to understand the potential developments of marketing and communication in the construction service industry and foster the understanding today but as well in the future.

Acknowledgements

This research is based mainly on the experiences and beliefs of the interviewed company representatives, experts and clients. I would like to thank each of the numerous interviewees very much for sharing their wisdom and their knowledge openly with me during the interviews and discussions. Without them, this research project could not have been written.

Furthermore, I would like to thank Prof. Dr. Lynn Lim, my supervisor of this master thesis project, for providing me with the well appreciated guidance and useful inputs at any time.

Last but not least, I am grateful for the moral support, long-lasting discussions and understanding of my lovely girlfriend, my friends and my family.

Declaration Form

The work I have submitted is my own effort. I certify that all the material in this thesis, which is not my own work, has been identified and acknowledged. No materials are included for which a degree has been previously conferred upon me.

Basel, June 2nd, 2017

A handwritten signature in blue ink, appearing to read 'S. Duss', with a stylized flourish at the end.

Silvan Duss

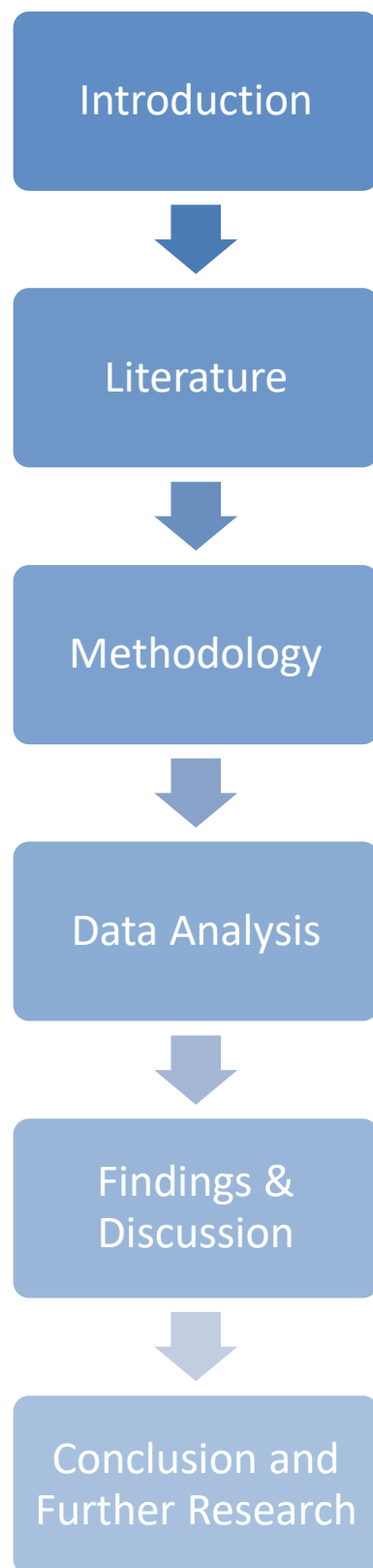
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Thesis Map

1. Introduction

The aim of this master thesis is to research the future of marketing and communication in the Swiss and international construction service industry. With the rising global population – in the next 40 years the world population is estimated to be over 10 billion – there is a rising need for civil engineering and building engineering but as well an increasing demand in the field of sustainable engineering (Statista, 2016a; UN, 2015). The construction service industry is a rather traditional and passive industry with various actors. However, the digitalization will transform the industry fundamentally (Agarwal, Chandrasekaran and Sridhar, 2016; Leviäkangas, Paik and Moon, 2017; SIA, 2017). Within this passive industry, marketing and communication often plays a minor role and therefore might not exploit its full potential (Bachofner, 2013; Fässler, 2016; Rwelamila and Lethola, 1998; Whitmeyer, 2017).

The study will focus on three main areas: the (further) development of marketing and communication in the industry, its relevance and the budget allocation (in the future). In addition, the acquisition of projects is part of the study too since it has a major effect on marketing and communication, particularly in the construction service industry.

The study is structured according to the research map on the previous page. The following subchapters begin with an introduction to the construction service industry covering industry relevant literature, research rationale, objectives, questions and limitations. The subsequent literature chapter contains a literature review as well as the conceptual framework of this study. The methodology is presented in chapter three, followed by the data analysis and elaboration of findings in chapter four respectively five. Finally, the study is concluded, implication evinced and suggestions for further researches are assumed.

1.1 Overview of the Construction Service Industry

The construction service industry is a very traditional industry, which is highly important for today's and tomorrow's world. Many infrastructure projects such as energy or transportation facilities but building projects as well set the base for our daily lives. Just imagine a world without running sewage facilities or commuting to work without any trains, roads, bridges or other infrastructure. The construction service industry has to plan projects both visionary and long-lasting. A quick example illustrates this visionary approach: The very first drafts for the record long 57km Gotthard Base Tunnel, which was recently opened in summer 2016 in Switzerland, were first developed as early as in the 1930s (Gruner, 2016).

1.1.1 Demographic Development

As long as there is civilization, there is a need for engineers to plan the essential infrastructure. And according to the current outlook, both in Switzerland as well as on a global scale, an increase of population is clearly estimated. These population forecasts are crucial for the infrastructure and buildings that have to be planned and constructed for the future. The Swiss federal statistical office (BFS) forecasts a population growth of 23% between 2015 and 2045 (BFS, 2015a). This scenario results in a population of 10.2 million inhabitants in Switzerland in the year 2045 compared to 8.3 million in 2015.

Eurostat predicts even a higher number: 10.7 million people will live in Switzerland by 2045 according to their main scenario (BFS, 2015a). Until 2080, Eurostat estimates that Switzerland will have close to 12 million inhabitants (Eurostat, 2015). The overall population of the EU will increase from 509.2 million in 2015 by 3% to 525.2 million in 2045 (BFS, 2015a). The neighboring countries of Switzerland are expected to develop in terms of population until 2045 as follows: Germany -6%, France +11%, Italy +9% and Austria +13% (figure 1).

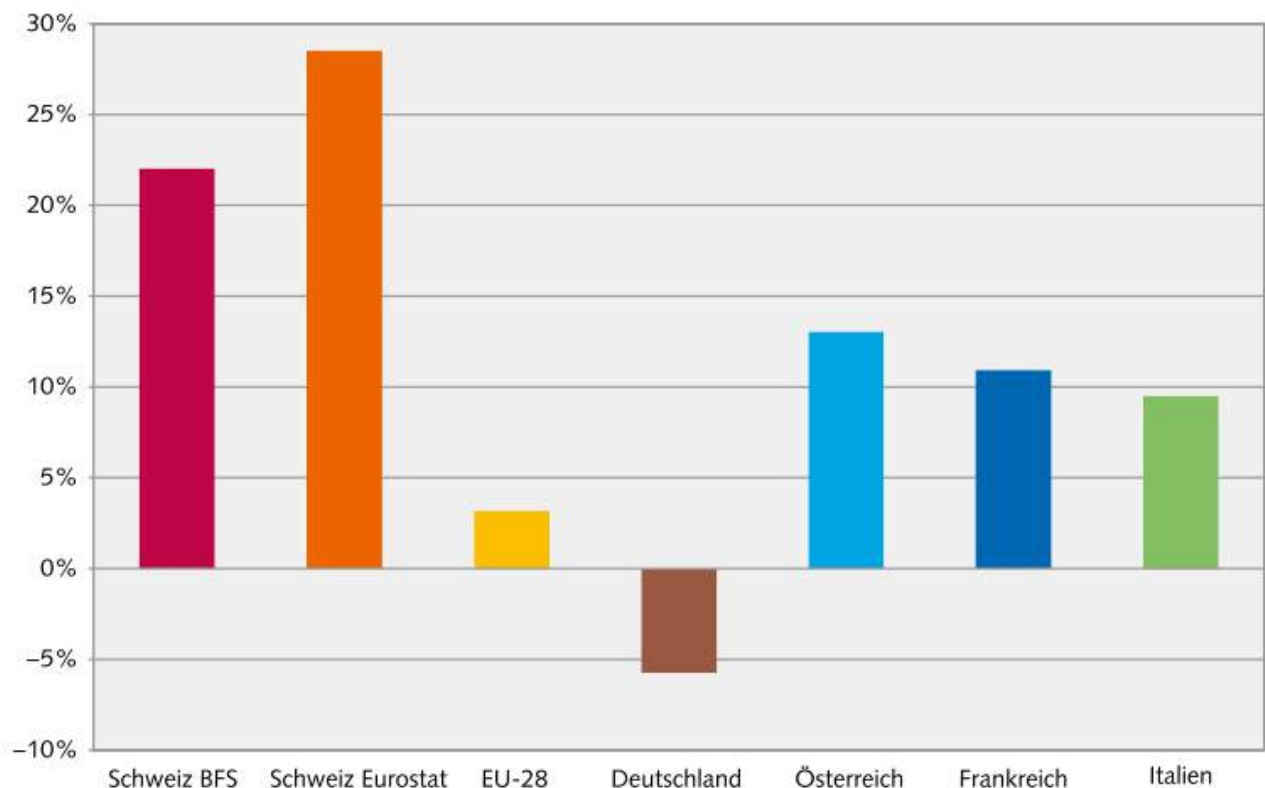


Figure 1: Projections of population growth in Europe (BFS, 2015a, p. 45)

As the forecast of the United Nations shows, global population is estimated to increase by 32% to 9.7 billion until 2050 (UN, 2015). However, there are significant variations of growth for the different continents (figure 2). While North America, South America and Asia will grow around 20%, Oceania is estimated to increase its population close to 40% and Africa is expected to almost double its population with an 88% growth rate until 2045. According to the forecast by the UN, Europe will be the only continent that will not increase in terms of population (-4%).

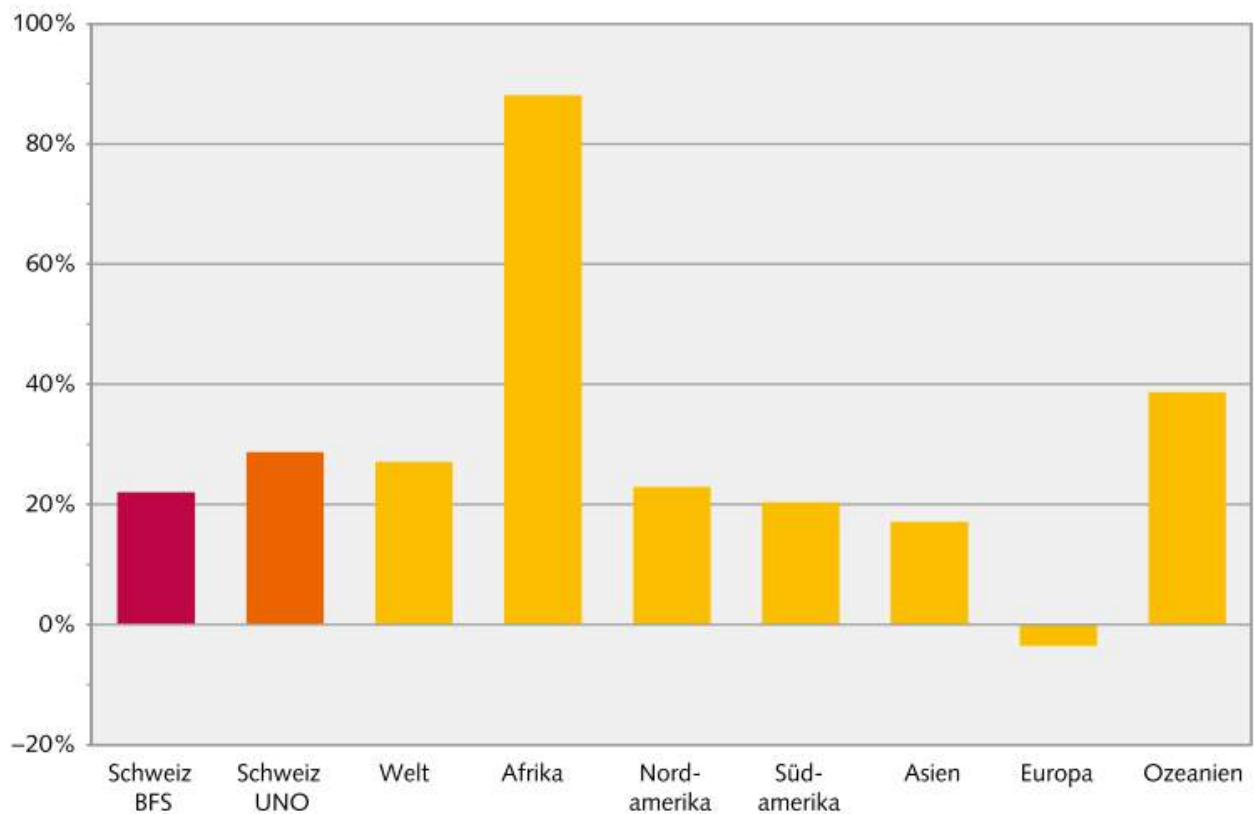


Figure 2: Projections of population growth worldwide (BFS, 2015a, p. 45)

In conclusion, due to the estimated population growth, the need for infrastructure development will continue to be crucial. Furthermore, it is likely that the size of projects will increase in the upcoming decades. However, the forecasts also show that there are significant geographical differences.

1.1.2 Construction Indices

While development of the population has an indirect impact on the construction service industry, construction indices are reflecting the effective order situation in the construction industry and thus have a direct effect on the construction service industry. Therefore, selected indices of the construction industry are presented in this subchapter.

One crucial industry index in Switzerland is the Swiss construction index published by Credit Suisse and the Swiss Contractors' Association (Credit Suisse, 2016). The latest publication (figure 3) shows

that the recent construction boom is over and forecasts a sideways movement for construction prices in Switzerland. Volatility is likely to remain high in the upcoming quarters. Moreover, the researchers state that the construction industry did benefit from the extraordinary low interest rates in the recent years. However, the fact that some long-term interest rates were increased shortly shows that this benefit will not stay constant. In addition to that, a saturation of the real-estate market can be observed in all segments of building construction. According to the industry forecast of Germany Trade & Invest, the construction industry in Switzerland was in a stabilization phase in 2016 (GTAI, 2016). However, in 2017 an industry growth of 1.2% is forecasted by GTAI.

Q1 1999 = 100, points = trend outlook

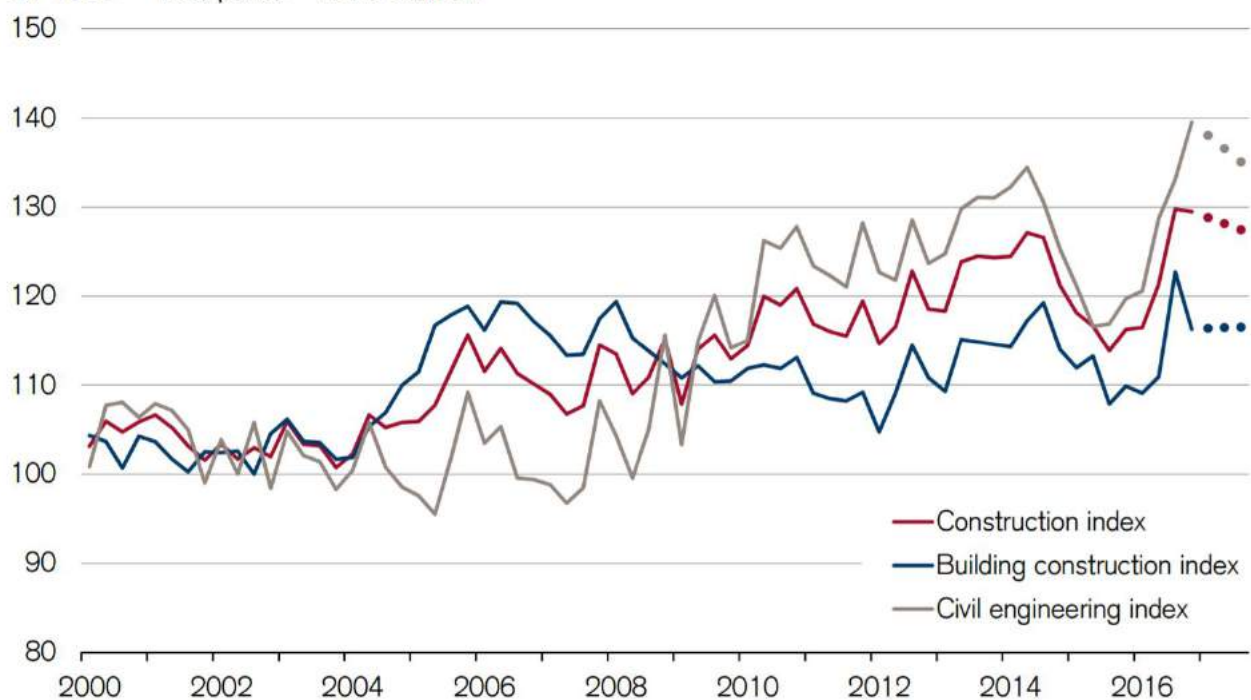


Figure 3: Development of Swiss construction index (Credit Suisse, 2016, p. 2)

As the construction production index published by Eurostat shows, there is a sideways movement since 2013 on the EU-level (2016). However, as evident in figure 4 on the next page, there was a constant decrease from 2008 (apart from a short peak in summer 2010) before the current stagnant progress. Similar to the Swiss market, the civil engineering developed better compared to the construction of buildings. Yet, there are extreme differences within the EU: While Lithuania faced a decrease of 54.5% of building constructions in 2009 only, building construction levels remained nearly stable in Germany and Austria. On a global scale, it is difficult to get forecasts for a longer period of time. However, squeezing prices in the construction industry is a worldwide challenge (Turner and Townsend, 2016).

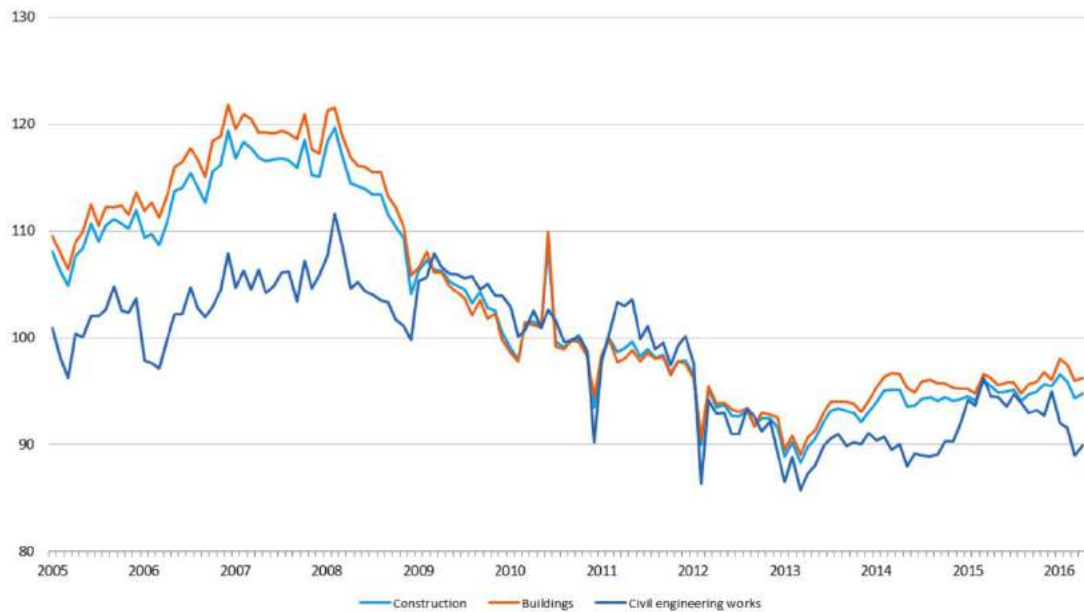


Figure 4: Development of EU-28 construction production (volume) index (Eurostat, 2016, online)

The illustrated development of the Swiss construction output price index in figure 5 is another important tool of information for the construction service industry. As a matter of fact, with the stagnant or even decreasing output prices, the margins in the construction service industry are likely to stay under pressure (BFS, 2016a). Since 2011, the construction output prices are almost stagnant. One reason might be the strong Swiss currency which enables attractive imports of construction services and labor forces.

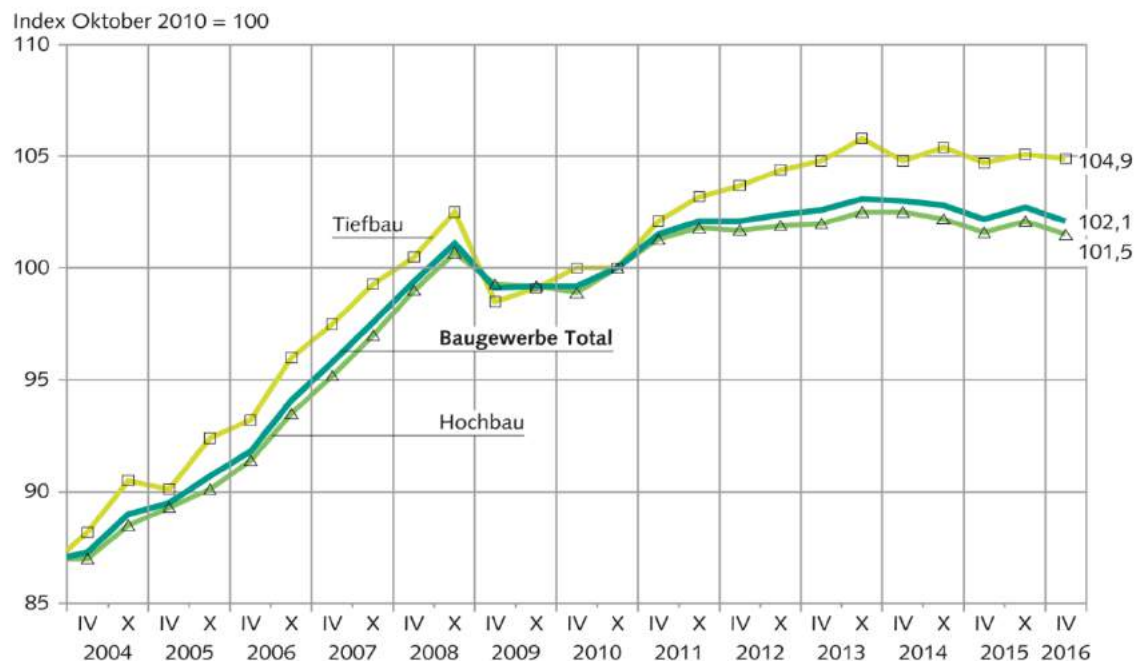


Figure 5: Development of Swiss construction output price index (BFS, 2016b, online)

1.1.3 Construction Service Industry

There is no clear and established definition for the construction service industry. The terms consulting engineering industry, engineering consulting industry, engineering service industry and construction service industry are referring to the identical industry alike. In this study, the term construction service industry is used. Generally speaking, it is part of the architecture, engineering and construction industry (AEC industry). The construction service industry is defined and used in this research as engineering consulting and engineering services in the construction industry and similar areas. The construction service industry offers professional services based on independent expertise in the fields of engineering and construction to private, semi-governmental and governmental sector organizations (ACEC, 1999). These services include among others planning, assessments, evaluations and calculation studies as well as technical advice and supervisions in relation to the constructed environment. To put it in reverse, the construction service industry is the engineering part of the AEC industry. However, a pure distinction is impossible since many companies in the construction service industry are offering some services in the direction of architecture and construction too.

The construction service industry is part of the professional service firms sector and belongs to the subdivision of knowledge-intensive firms (Store, 2013). This subdivision is characterised by complex projects which often involves creative and customized problem solving. Store continuous that the human capital is a key resource due to its expertise knowledge.

Reliable data about the size and figures of the construction service industry are difficult to gather. The Swiss society of engineers and architects (SIA), for example, conduct a survey every second year to figure out several key figures of the industry. However, for the SIA survey 2016, less than 300 out of around 3500 invited companies did actually complete the questionnaire (SIA, 2016). Nevertheless, the allocation of the participated companies of the survey shows, that the vast majority of companies in the construction service industry are relatively small companies. In fact, 80% have less than forty employees. A current statistic from the Austrian Economic Chambers shows that 47% of all engineering companies in Austria are one person companies (WKO, 2016). The Austrian statistic indicates that 93.1% have less than 10 employees and just about 1% of the engineering companies count 50 or more employees.

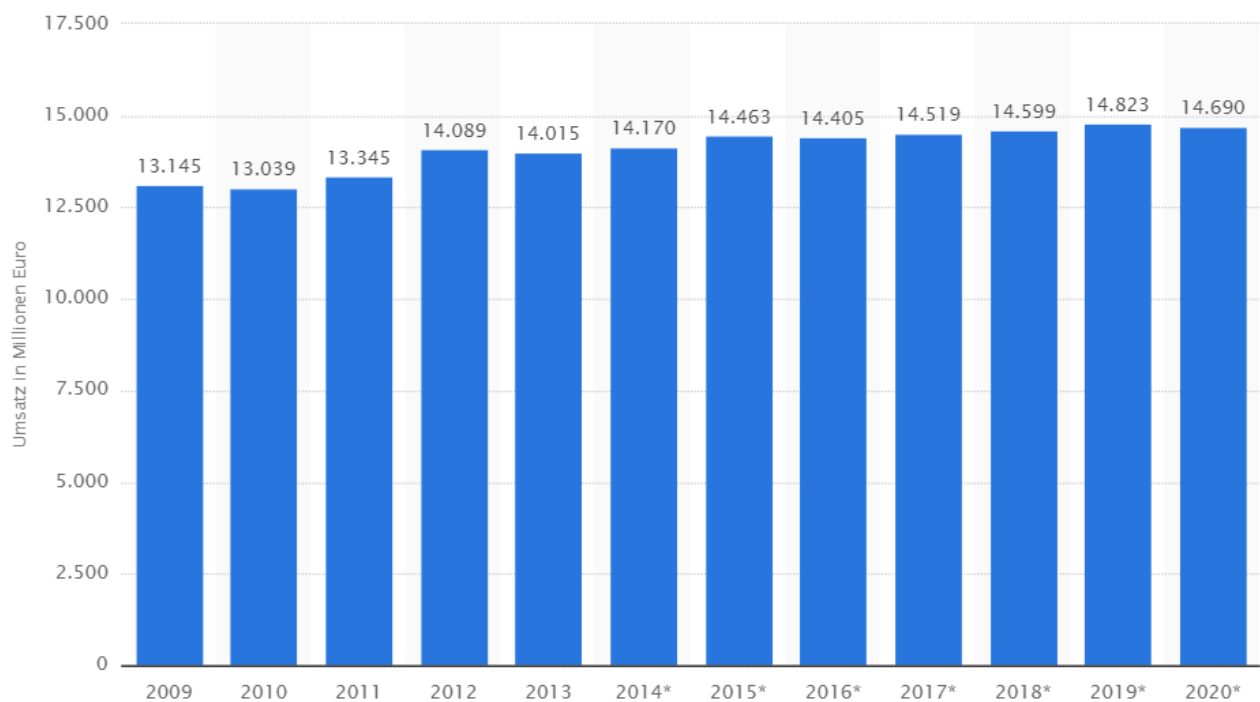


Figure 6: Turnover forecast for Swiss ACE industry (Statista, 2016b, online)

Since there is relatively less data available focusing on the construction service industry, some industry data is based on the AEC industry. The forecasted development of the total turnover in the Swiss AEC industry up till 2020 shows a marginal increase (figure 6). According to the prognostic from 2013, an increase of just 2% is estimated for the period from 2016 until 2020 (Statista, 2016b). As a comparison: the total turnover growth rates between 2016 and 2020 are forecasted to increase in Germany by 18% whereas the growth forecast for the US market is slightly negative for the same period of time (Statista, 2016c; Statista, 2016d).

At large, the industry is under pressure. A recent CEO survey conducted from PWC has revealed that 64% of the participated CEOs of the engineering and construction industry either agree or strongly agree that there are more threats to the growth of their company today than there were three years ago (2016). The same study came to the finding that 68% of the companies have planned to implement a cost-reduction strategy in 2016.

1.1.4 Industry Trends

The construction service industry is a traditional industry and so far, new technologies have been adopted only slowly. In fact, the construction industry is stated to be the least digitized industry in Europe (McKinsey&Company, 2016). However, the trend in the direction of digitalization is enormous (Agarwal, Chandrasekaran and Sridhar, 2016; Leviäkangas, Paik and Moon, 2017; SIA, 2017). But it seems that there are currently large uncertainties how the digitalization will actually transform the construction service industry. In addition, a huge variation of how far upcoming technologies are

implemented in different companies within the construction service industry can be observed. Below, several industry trends, both based on the digitalization and also other movements, are shortly introduced:

- BIM:** Building Information Modeling (BIM) is a new method to digitally construct an accurate virtual model of a building or infrastructure project. This method can be compared to the upgrade to computer aided design (CAD) that replaced drawing boards and pen and paper plans. The new planning method based on BIM is predicted to revolutionize the construction service industry permanently (Azhar, 2011).
- Virtual Reality:** Already over ten years ago, Bouchlaghem et al recognized the potential of 3D visualizations for the construction service industry (2005). With BIM, projects are very convenient to visualize with virtual reality (Cory, 2015). In 2016, a survey revealed that over 65% of respondents viewed virtual reality as top trending technology in the AEC industry (Stickney and Kasad, 2016).
- 3D Printing:** 3D printing technologies have evolved rapidly in the last years. With the latest technology, they have the potential to completely change the construction industry in the execution phase. Currently, 3D printing is used regularly to print detailed models of projects. However, there are numerous initiatives to build actual apartment and office buildings with giant 3D printers. The first printed building is the Office of the Future in Dubai, which opened just recently (Construction Global, 2015; Molitch-Hou, 2016).
- Smart Cities:** Smart cities are characterized by the integration of information and communication technology (ICT) to traditional infrastructure. This has a major influence on the construction service industry, which is in charge of planning future infrastructure projects. Furthermore, existing infrastructure has to be upgraded and integrated using new digital technologies (Batty et al., 2012).
- Drones:** The unmanned aerial vehicles are increasingly used in the construction service industry. With the help of drones, different monitoring activities (e.g.: aerial, stockpile, emissions and traffic monitoring) and 3D mapping can be done safer as well as more cost-effectively and results in a higher quality of data (Accenture, 2016; Link, 2017).

- Robotic:** The robotic includes different industry trends as for example 3D printing and drones. New robotic technologies offer opportunities to change the construction phase. Completely automated construction sites might become reality. Therefore, civil engineers need to adapt their planning for the change in the execution phase (Wakefield, 2016).
- Sustainability:** Sustainability has to be integrated in all industries and so it evolves in the construction service industry as well. The design and planning of buildings and infrastructure has an enormous and long lasting effect on society and our planet. Therefore, engineers working in the construction service industry need to constantly strive for the best possible solution for all stakeholders. The use of the cradle to cradle paradigm, for example, is increasing in constructed environment projects (Ankrah, Manu and Booth, 2015). Moreover, understanding sustainability offers new business opportunity in the AEC industry (Lu and Zhang, 2016).
- War of talents:** Talented employees with a profound expertise are scarce. Companies in the construction service industry are constantly looking for talents. Therefore, attractive working environment and conditions are getting increasingly important for employers in order to attract talented employees (CMAB, 2017). Mayfield and Keating pointed out that “recruiting (and retaining) skilled employees is the single greatest challenge” in the industry (2003).
- Shrinking margins:** In contrast, the prices for engineering services are not rising with the shortage of talents. In fact, shrinking margins can be observed in the construction service industry (Turner and Townsend, 2016). The prices are under pressure and companies are trying to undercut competitors in tender procedures. On the one side, the shrinking margins encourage the implementation of cost-efficient innovations. On the other side, due to the low margin, the available funds for research and development are often very limited.

1.1.5 Marketing and Communication

Since this research project is about the marketing and communication context in the construction service industry and in particular its development in the future, a short introduction to the current marketing and communication of the industry is given in this subchapter.

It was in the early 90's when the first researchers stated that "marketing is, to some extent, considered a legitimate management function within the consulting engineering firms" (Morgan and Morgan, 1991). Nowadays, the role of marketing and communication clearly gained more power. According to the last five annual surveys of the (North American) construction marketing association (CMA) among its 1000 members, the vast majority of companies are increasing their marketing budget year after year (CMAB, 2017; CMAB, 2016; CMAB, 2015; CMAB, 2014; CMAB, 2013). In 2017, over 96% of the survey participants stated that they will increase their overall marketing activities and budgets for the current year (CMAB, 2017). A complete overview of the development of the individual marketing activities is available in figure 7 and 8 below.

What Traditional Tactics Will You Increase/Decrease?

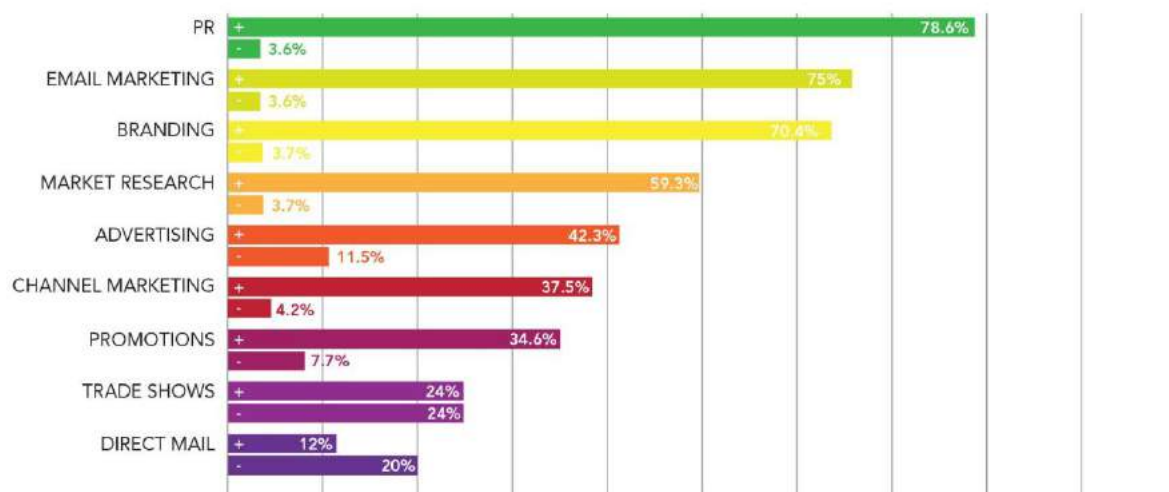


Figure 7: Traditional marketing activities in 2017 (CMAB, 2017, online)

What Internet Tactics Will You Increase/Decrease?

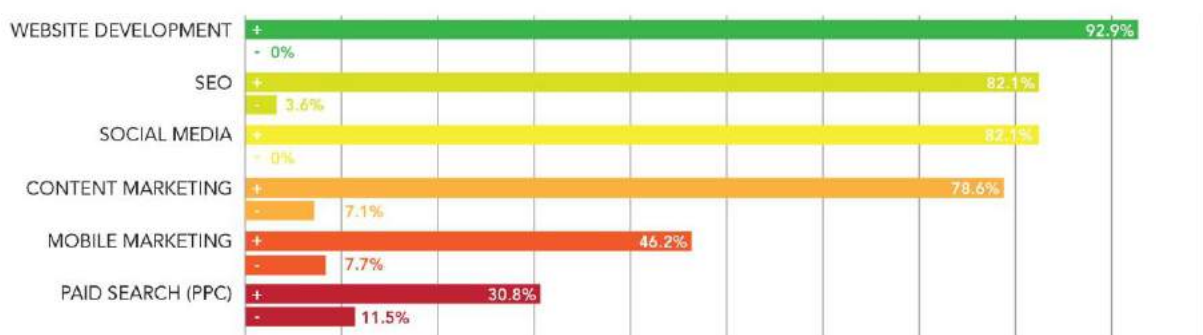


Figure 8: Online marketing activities in 2017 (CMAB, 2017, online)

There is another interesting figure of the annual CMAB survey: Back in 2013, nearly one third of the firms neither developed an annual nor a strategic marketing plan (CMAB, 2013). Moreover, only 82% of the firms stated they have a formal marketing budget. Unfortunately, these numbers are not part of the annual survey anymore after 2013.

1.2 Research Rational and Research Relevance

With the demographic development in Switzerland as well as on a global scale, the ongoing need for infrastructure and buildings is factual. However, the outlook in the construction sector and construction service industry in particular are stagnant for the following years (Credit Suisse, 2016; Eurostat, 2016). In addition to that, the prices in the construction service industry are under pressure (Turner and Townsend, 2016). Companies are trying to undercut competitors price offers in tender procedures. Moreover, Swiss companies have to fight against the perception of being utterly expensive in the international market environment. Therefore, effective and cost-efficient marketing and communication activities for a clear positioning and good reputation in the target market are of key importance nowadays as well as in the future.

The clients on the other hand are very price sensitive, also because of the submission regulations. Due to the fact that the high quality of engineering services is an absolute must in the industry, the price is de facto the ultimate decision factor in many tender procedures. As a result, high quality of the outcome and low prices are not effective to be used for the positioning of a company since both are fully expected anyways, even though they are quite contradictory. Therefore, companies need different positioning opportunities and need to know how they can be communicated to the relevant stakeholders. Furthermore, the market entry barriers are low in this industry. Therefore, it is important that companies communicate well with their customers and other stakeholders in order to stay a step ahead of potential new competitors entering the market.

However, the importance of marketing and communication is often underestimated in the construction service industry (Bachofner, 2013; Fässler, 2016; Rwelamila and Lethola, 1998; Whitmeyer, 2017). To put it crudely: The typical engineer often has a love/hate relationship to marketing and communication. They know that it is needed but often do not really know how it is done successfully. In addition, companies often neither want to spend money nor time on it. As a result, many companies in the construction service industry do not have clear goals nor a profound marketing and communication plan (CMAB, 2013). And similar to how the industry deals with new trends, innovative marketing and communication approaches seem to need some time to find their way to the construction service industry.

The war of talents requires further activities in the direction of employer branding, which is also part of marketing and communication. Similar to this, upcoming industry trends such as BIM and virtual reality (see chapter 1.1.4) challenge traditional marketing and communication activities.

Besides the above mentioned practical research rationales, there are also some theoretical reasons that support this research. First of all, there is surprisingly little research that aims to understand marketing and communication in the construction service industry even though there were multiple recommendations to do so already two decades ago (Marr, Sherrard and Prendergast, 1996; Rwelamila and Lethola, 1998). The inexistence of current research shows the theoretical relevance of this study. Moreover, literature in the area of professional service suggests to conduct further research in the direction of linking together technological development and service marketing (Baron, Warnaby and Hunter-Jones, 2014; Kunz and Hogreve, 2011). Furthermore, Subramony and Pugh emphasized the importance of the context when researching service marketing (2014).

As a conclusion, there are numerous practical and several theoretical rationales as well, which clearly underline the relevance of this research. The dominant practical research rational and relevance is in accordance with the literature, which emphasized the emerging gap between theory and practice in the field of business marketing research (Möller and Parvinen, 2015; Reibstein, Day and Wind, 2009).

1.3 Research Motivation

With my educational and professional experience, I was capable to address the above elaborated research opportunity. During the last year of my master degree, I was completing an internship in the marketing and communication department of a major construction service company in Switzerland. Thanks to this internship, I got more interested in this particular industry and understood, that due to the rare scientific research, this field offers a great research opportunity. For me, understanding a whole different industry as the banking sector, where I worked before, was a new personal challenge. I am a master student in international management at the university of applied sciences of northwestern Switzerland, where I participated in numerous international marketing and communication related modules. My educational background is complemented with a bachelor's degree in business administration with a major in marketing and communication from the university of applied sciences of Lucerne.

The work of engineers in the construction industry is very fascinating and from my point of view highly underrated. Nowadays, architects are making one's mark with prestigious projects. However, the engineers who work hard in order to realize an architects' vision do not get their deserved atten-

tion. More importantly, civil engineers are not only planning buildings and above the ground constructions which are obvious to see. In fact, the whole infrastructure, which is not visible for the majority but sets the base for today's and tomorrow's world, is all planned by engineers.

The concept to start this research project was strengthened by the realization that it is a major opportunity for the industry due to the research gap as explained above in chapter 1.2 as well as for me to establish myself within the industry and set a base for a potential postgraduate job.

1.4 Research Objectives and Research Question

The research project is based on the following grand tour research question:

How will the marketing and communication context in the Swiss and international construction service industry change in the future?

The grand tour research question is formulated in a broad manner intentionally because this is a qualitative and explorative study. As in chapter 1.2 explained, this research opportunity offers numerous research objectives. The below state research objectives are addressed with the respective research sub-questions:

Research Objective 1	To analyze existing and discover the future marketing and communication context in the construction service industry.
Research Sub-question 1	1) How will the marketing and communication context develop: a) in the short-term (<12 months)? b) in the medium-term (1-5 years)? c) in the long-term (5-10 years)?

Table 1: Research objective 1 and research sub-questions 1

Research Objective 2	To determine the importance of marketing and communication in the construction service industry and to identify strategies to improve its effectiveness.
Research Sub-question 2	2) How can the business performance of construction service companies be increased by: a) existing or future offline marketing and communication? b) existing or future online marketing and communication?

Table 2: Research objective 2 and research sub-questions 2

Research Objective 3	To examine how to allocate the marketing and communication budget in the future.	
Research Sub-question 3	3a) Where is it recommended to increase marketing and communication budgets?	3b) Where is it recommended to decrease marketing and communication budgets?

Table 3: Research objective 3 and research sub-questions 3

1.5 Research Limitations

As with any explorative and qualitative research, this master thesis project is not without limitations. One of the main limitations of the proposed research is the focus on the construction service industry, which is defined as engineering services and engineering consulting (see chapter 1.1.3). Due to the scope of the study as well as the comparability of the data, architects, which are part of the AEC industry too and which are offering in the broad sense services for the construction industry as well, are excluded intentionally in this research. However, a clear distinction was not possible since many companies in the field of engineering are offering services in certain architecture activities as well. On the one hand, the exact industry focus enables to achieve meaningful results with the research project on this particular industry. On the other hand, it is questionable how direct the results can be generalized for the B2B service marketing field and other professional service industries due to the specific characteristics of the construction service industry.

In addition, the study focuses on the larger companies within the industry. The vast majority of the companies in the construction service industry, however, are small companies (SIA, 2016; WKO, 2016). Nevertheless, the research project is focusing on the minority of large companies. This decision is based on two reasons: First of all, it was expected that small companies often not have a clear marketing and communication strategy at all. Secondly, the small number of large companies in the industry actually employ a substantial amount of the overall number of employees in the industry due to their size.

Another limitation is the strong focus on marketing and communication. Even with the fact in mind, that the prices are under pressure in the industry, there was no intention to investigate for possible best practice of financial, human resources (HR), law or other managerial activities respectively any cost cutting strategies in these departments. This is again due to the scope of the study as well as my personal specialization and interest in marketing and communication. Furthermore, the war of talent will not be researched under a typical HR approach. In this research, there is a strong emphasis of marketing and communication.

2. Literature

Since this is a qualitative and explorative study, the literature review is not as extensive. Although, relevant theoretical backgrounds and theories in the field traditional and digital marketing, service marketing and business-to-business (B2B) marketing are part of the literature review. Moreover, relevant terms of the subjected areas are defined. Starting with a very short introduction to marketing and its development with the raise of digital marketing, an exploration of service marketing is following in subchapter 2.2. Keeping in mind that the construction service industry is mainly acting in a B2B respectively a business-to-government (B2G) environment, this literature review contains B2B marketing theories and an introduction to B2G marketing in chapter 2.3. Relevant literature about the construction service industry and marketing and communication in the construction service industry was already discussed in chapter 1.1. The literature review is the base for the conceptual framework as presented in chapter 2.4.

2.1 Traditional and Digital Marketing

Traditionally, marketing was usually defined as the art of exchanging goods and services (Bagozzi, 1975). The exchange is still a relevant part of today's marketing. However, a paradigm shift away from the simple exchange definition occurred, which was indeed necessary because marketing includes many other activities too (Sheth and Uslay, 2007). Kotler explains marketing in a broad term (Kotler Marketing Group, 2012, online):

“Marketing is the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services.”

The American Marketing Association, on the other hand, defines marketing as follows (AMA, 2013, online):

„Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.“

This research relies on the second definition from the AMA. This definition is used since it fits better with the construction service industry, where marketing is less involved in designing and defining the services.

Both definitions are also suitable in the new age of digital marketing. While traditional marketing includes the offline marketing activities such as print, direct mailings, PR, radio and television, digital marketing respectively online marketing refers to all marketing activities using digital technologies. Digital marketing, first known as internet marketing, includes all sorts of digital media such as websites, mobile phones, social media, display advertising search engine marketing (SEM) and many more (Financial Times, 2014).

However, online marketing is not only a new marketing channel. It does revolutionize the marketing and communication environment permanently and affects both marketers and consumers (Lim, 2016). Lim presented that marketers have to manage more products and services due to the (mass) customization and need to be ready for the instantaneous exchange with stakeholders because of the real time communication tools in the digital environment. Furthermore, the digitalization offers the opportunity of collecting and analyzing data in a whole new dimension (big data). Consumers, on the other hand gained power through their ability to speak up against a company with the help of digital communications. Moreover, the information available for consumers from the company itself as well as from third parties increased massively and are easily accessible. And of course, there are new products and services available for consumers based on the digital progress.

With the digital channel, communication between marketers and customers changed fundamentally. As already mentioned, the communication is held in real time for example via e-mail, social media or any kind of chats. Another change in the basis of communication is the paradigm shift away from one-to-many communication (e.g. television) to many-to-many communication in the digital environment (e.g. social media) (Hoffman and Novak, 1996).

Social media (or web 2.0) enables customers and other stakeholders to communicate on one level with marketers. Therefore, it is a paragon for the many-to-many communication. It is an uncontrolled platform and the reputation of a good, a company or a whole industry can be damaged easily, which is also a risk in the construction service industry (Aula, 2010). However, social media is a valuable tool for marketers in order to communicate and interact directly with their customers and stakeholders as well as build relationships with them (Jones, Temperley and Lima, 2009). Hennig-Thurau et al. found out that user in social media often comment because they either try to get active support to solve their problems or they want to report about inadequately consumer experiences (2010). With this in mind, it makes sense that high-reputation companies invest resources and efforts to social media and respond to any customer comments, and in particular to negative comments, in order to keep their reputation (Floreddu and Cabiddu, 2016).

In the end, both offline and online marketing and communication activities have to work together. Boone and Kurtz came to the conclusion that an integrated communication is characterized as following (2007, p. 488):

“Integrated marketing communication is the guiding principle organizations follow to communicate with their target markets. Integrated marketing communications attempts to coordinate and control the various elements of the promotional mix - advertising, personal selling, public relations, publicity, direct marketing, and sales promotion - to produce a unified customer-focused message and, therefore, achieve various organizational objectives.”

2.2 Service Marketing

Compared to product marketing, marketing and communication of services was not adequately researched for a long time (Chadee and Mattsson, 1996). One reason for this is that in the early stage of service marketing studies, researches had to show that service marketing is different to product marketing. Frequently, opinions have arisen that service marketing would not be different than product marketing, since both goods create value for the consumer in the end (Baron, Warnaby, and Hunter-Jones, 2014). To a certain extent, this explanation of similarities can be understood. However, the particular research of service marketing is clearly an essential field of research by itself.

In today's market environment, the services are similar important or even superior to products. In Switzerland, services counted for more than 70% of the total gross value added of the country (BFS, 2015b). In the literature, the significance of service marketing research is explained through the importance of services in the market and its exponential growth rates as well as with the noticeable rise of service quality (Grönroos, 2008; Kayabaşı, Çelik and Büyükarıslan, 2013).

In this research project, the goods are divided by definition to products and services. The services are generally defined as “any act of performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product” (Kotler and Keller, 2009, 2012 cited in Ganesh and Haslinda, 2014, p. 1190). However, a clear distinction of goods and services is often not possible, because most services include some kind of goods and most products are not pure products without any kind of service components (Hoffmann et al., 2006). With this supplement description of services, the definition can be used for the construction service industry as well. In this particular industry, the services are clearly the major part of the good. However, in the end of the process, the customer often receives the outcome as written recommendation or a plan on paper or via a digital medium, which is de facto a product. However, these products are actually just the minor part of the whole good.

The overall quality of services is generally increasing. Nowadays, the quality of services is an essential and sustainable competitive advantage (Granesh and Haslinda, 2014). It is necessary to include more than traditional external marketing in service marketing. Similar to total quality management for products, such a holistic approach has to take place in service marketing too (Kotler and Keller, 2012). All employees interacting directly or indirectly with customers have to be educated and motivated in order to work together towards the goal of constantly increasing customer and consumer satisfaction (Armstrong et al., 2012). Besides the quality of the service, companies are able to create a competitive advantage by trying to turn their loyal customers into fans of the companies with the help of relationship management (Dun and Bradstreet, 2017; Jahn and Kunz, 2012). Sweeney, Soutar, and McColl-Kennedy come to the conclusion that interaction marketing, which are face to face relationship interactions, is the most applied marketing and communication instrument of professional service firms, which are common in the construction service industry (2011).

In terms of service marketing and marketing of goods overall, a shift of the value creation paradigm took place recently. Companies are offering value proposals and are viewed as co-creators of value whereas customers transfer the potential value to actual value with their consumption (Grönroos, 2008; Vega-Vazquez, Revilla-Camacho and Cossio-Silva, 2013).

The single biggest change in service marketing so far came with the triumph of the internet. With the digitalization, traditional service marketing activities changed completely due to new opportunities and demands. Because of the internet, whole new services emerged which are completely based on the online environment (Hoffmann et al., 2006; Ford and Dickson, 2014). Such companies as for example Facebook or Google are now some of the most powerful companies worldwide. However, the digitalization caused as well several causalities in the traditional service industry. As for example directory assistance services disappeared nearly completely or travel agencies became numerous very competitive rivals which solely operate online (Hoffmann et al., 2006).

2.3 B2B Marketing

Similar to the service marketing, the academic research of B2B marketing is not as well researched as B2C marketing (Hadjikhani and LaPlaca, 2013). However, there is increasing interest in this field of research. The differences of business-to-business marketing (B2B) to business-to-consumer marketing (B2C) is visible in figure 9 below, which is a good introduction to B2B marketing. Furthermore, the fact that behind most B2C transaction are numerous B2B transaction involved is illustrated adequately.

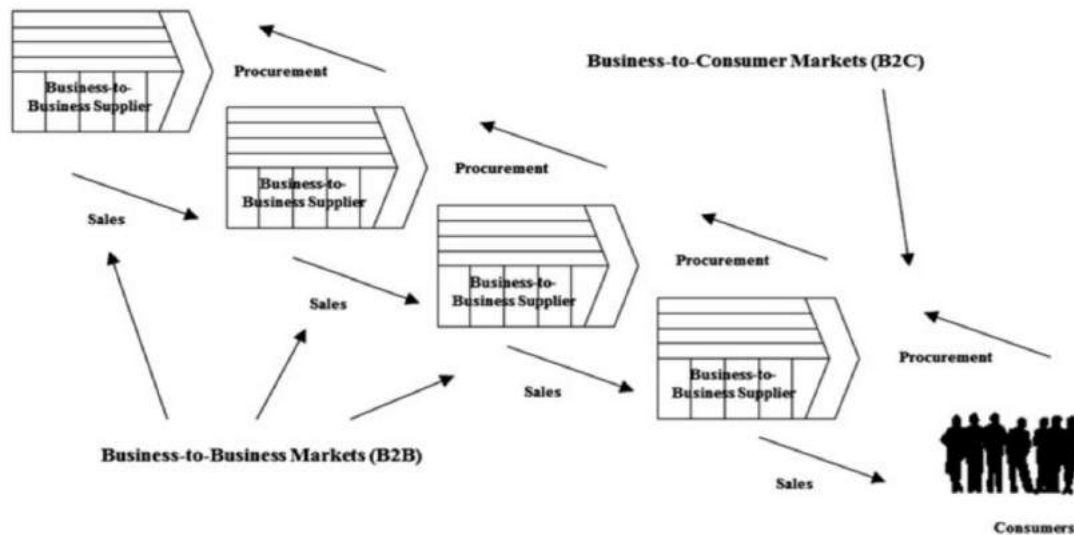


Figure 9: Explanation of B2B market (Kleinaltenkamp et al., 2015, p. 132)

Kuhn and Zajontz have described the characteristics of B2B marketing, which some researchers refers to as industrial marketing, as elaborated below (2011, p. 27-29):

First of all, B2B companies have a direct relationship with their customers and therefore an ongoing exchange of information. However, it is a challenge to systematically gather and use the available information within the company. Secondly, the B2B environment is shaped as a multistage value chain. Therefore, it is not sufficient to only track one's own clients. A B2B marketer has to investigate further the clients of the own clients down until to the consumers in order to improve the quality of the goods and forecasts demands. Thirdly, B2B markets are often niche markets, where the market participants are aware of each other. This is a clear contrast to the mass market of consumer goods. Fourthly, multiple persons or whole buying centers are in the decision making process involved. Often, user, buyer and decider as well as gatekeepers and influencers have to be targeted (Kleinaltenkamp et al., 2015). As a B2B marketer, it is challenging to inform the right individuals with the adequate information at the accurate time. Fifthly, the decision makers are professionals themselves. Nevertheless, emotional decisions based on relationships are not unlikely to occur also in the B2B environment.

As already mentioned in the subchapter above, customer relationship management is of key importance for B2B marketers and in the construction service industry as well (Filiatrault and Lapierre, 1997; Kuhn and Zajontz, 2011). Grönroos explains that "the relationship marketing perspective is based on the notion that on top of the value of products and/or services that are exchanged, the existence of a relationship between two parties creates additional value for the customer and also for the supplier or service provider." (2004, p.99).

The research on B2B marketing of services does still not get as much attention as B2B marketing for products. One reason might be that a study back in 1993 claimed that B2B service marketing differs not that much from product B2B marketing (Gordon, Calantone and di Benedetto, 1993). In the field of B2B service marketing, the research is clearly less extensive. But already in the 90s, Marr, Sherrard and Prendergast concluded that service quality is the most important factor to success in the construction service industry (1996). Brockmann confirms its importance for the AEC industry too (2002). One recent study emanated that internal marketing, service training and empowerment positively relate to service quality and thus that these are important for B2B service companies (Pomirleanu, Mariadoss and Chennamaneni, 2016). Another study came to the conclusion that on the one hand, a shift to sales automatization and reduction of face to face contacts can be observed in the B2B service industry (Sharma, 2007). On the other hand, the same study found out that the number of customer focused sales organizations working with relationship marketing are increasing. Even with the limited availability of research in the field of B2B service marketing, a sufficient theoretical background for a successful research project in the construction service industry can be acquired through combinations based on existing research.

In general, marketing representatives have relatively limited power in boardroom meetings. However, with the knowledge about the market and customer needs, it is actually crucial to involve marketers in the long-term strategic decision making process (McDonald, 2016). The limited authority of B2B marketers results, in the worst case, in a scenario where other managers with increased decision making power such as financial manager ultimately decide over marketing strategies and activities (Nath and Mahajan, 2008).

Another current challenge of B2B marketing is that the marketing and communication budgets are primarily seen as costs rather than investments for the future (Morgan and Rego, 2009). This cost-view of marketing results in the common practice of decreasing marketing and communication budgets during recession phases. CEOs often believe, cutting marketing costs in financially difficult times is legitimate. However, a recent quantitative research shows that long-term commitment to marketing and communication, even during recessions, results in higher stock market prices of the company (Currim, Lim and Zhang, 2016).

Branding is of key importance in the B2B marketing and communication context as well. A company needs to have a long-term branding strategy since there is a positive correlation between the development of a brand performance and the business (stock price) performance of a company (Kotler and Pförtsch, 2007). Roberts and Merrilees came to the conclusion that a customers' brand attitude is the most important factor in the contract renewal process (2007). But as well for acquiring new clients, brands are important because they are associated with higher quality (Kotler and Pförtsch,

2007; Mudambi, 2002). Therefore, branding is relevant even in the rational B2B service industry (Backhaus, Steiner, Lügger, 2011; Gomes, Fernandes and Brandão, 2016).

Since most construction service companies have a great interest semi-governmental and governmental organizations as clients, a certain adaptation to B2G marketing and communication is advisable. There are many similarities to the B2B environment which include the importance of relationships and reputations (Interface, 2014). However, there are also some distinctive differences in the procedures and rules of doing business, such as the submission regulations (Interface, 2014; Sekerin et al., 2014). One B2G trend is the improvement of information exchange, which is currently rather extensive, not very efficient and thus increases government spending (Bharosa et al., 2013).

2.4 Conceptual Framework

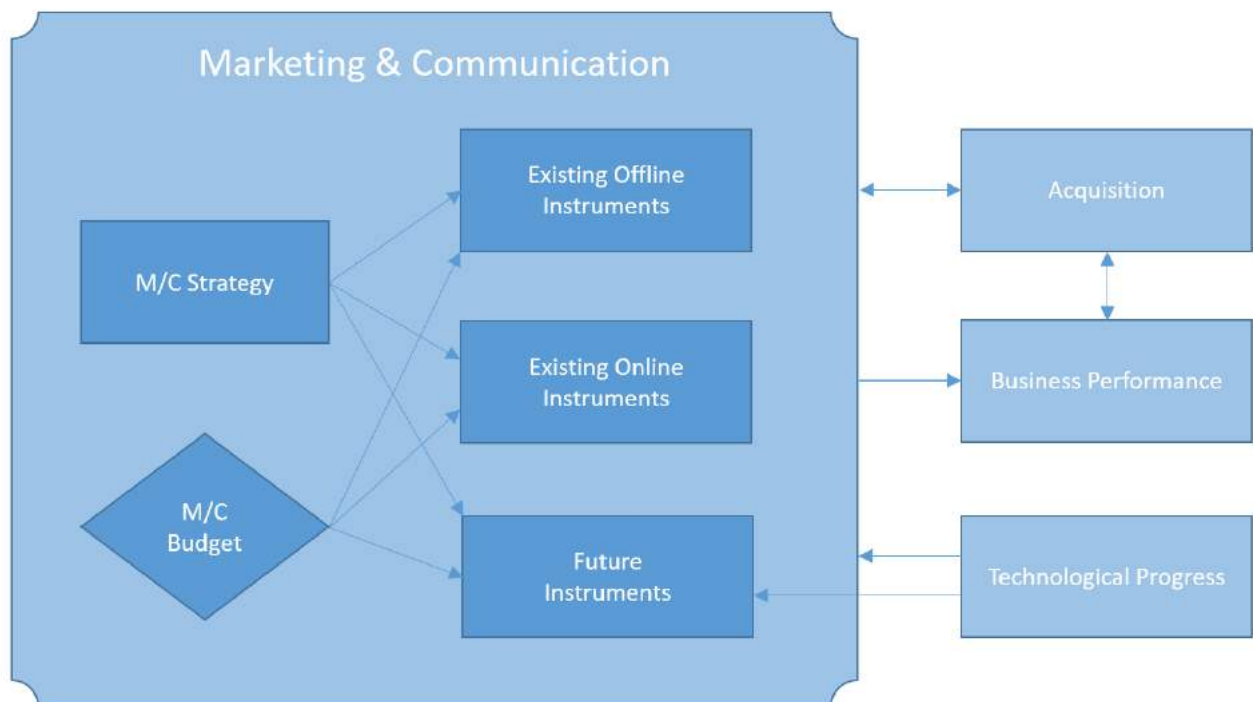


Figure 10: Conceptual framework (own representation)

The conceptual framework above in figure 10 was developed based on the research objectives and the literature review. In addition, several discussions with involved persons were used as supplement base of information. Due to the fact that this is an explorative study, there is an emphasis on the research objectives. First of all, the main topic of this research project is to study the future development of marketing and communication in the construction service industry. Within marketing and communication, the following three divisions will be studied: Marketing and communication strategy, marketing and communication budget and marketing and communication instruments. The existing offline and online instruments as well as the future instruments are strongly depend to the marketing and communication strategy and budget.

However, there are important external dependencies too. Marketing and communication, as a whole, has a (desirable positive) impact on the business performance. The business performance interacts also with the acquisition of clients and projects, which again is in relation with marketing and communication. Furthermore, the technological progress has an effect on the future marketing and communication instruments but as well on a higher level on marketing and communication in general.

3. Methodology

Based on the research opportunity and the theoretical background, a suitable research approach to fulfill the research objectives and answer the research questions was developed. All relevant information regarding the methodology, including the sampling, data collection and data analysis is available in the following subchapters.

3.1 Research Orientation and Methodology Limitations

The diverse context of the construction service industry made the development of a suitable methodology quite challenging. Therefore, the justification of the applied methodology for this research project is all the more important.

The methodology for the research is almost purely qualitative. Several deliberations were the base for this decision. The diverse industry and B2B context complicate the application of quantitative research methodologies. In this diverse research field, a very high number of participants would have been required for representative results with a quantitative research design. Furthermore, the researcher did not have access to an adequate list or existing database of potential participants and their contact details to use for a quantitative study. Another reason against the use of quantitative research was the fact, that no hypothesis or hunch is tested in the research project. In fact, the research is explorative. The qualitative research design allows to discover new findings which is essential to achieve the research objectives of this study. Hence, a qualitative research approach is appropriate. Due to the same reasons as quantitative methods are inappropriate as well as due to the scope of the study, a mixed-method research design was not recommendable.

It is a common limitation of the qualitative methodology that the number of units in the samples is relatively low compared to quantitative studies. However, a potential finding only have to occur once in order to be identified in the data analysis. Based on the limited number of research participants in this research, a constructivist approach as well as an actor-based causality was applied in the data analysis and the resulting findings.

The research approach contained both inductive and deductive reasoning. The data collection was more deductive since it was mostly derived from the knowledge gathered from the literature review and industry knowledge. However, due to the spontaneous anticipations during the data collection process, there were inductive elements as well. A more inductive approach was used in the analysis and interpretation of the data, which allowed the appearance of new and unexpected findings. However, the analysis part was not purely inductive due to the fact that the coding lists also contained deductive elements based on the existing literature.

Another general limitation of qualitative research is, that the findings will represent the attitude and believes of the participants rather than the reality in its whole. Nevertheless, the results are expected to be relevant for the industry and for the theoretical contribution as well with the applied research methodology. The proposed sampling method in chapter 3.2 is not representative for the entire population but suitable to gain relevant data for this explorative thesis.

Another methodical decision that has an effect on the whole research are the definitions. As for example the companies, the researcher defined the construction service industry for this research as engineering services and engineering consulting (see chapter 1.1.3). Therefore, architects were not part of the population of companies in this research project.

3.2 Sampling Designs and Profiles

In order to ensure as relevant and accurate results as possible, the sampling includes three different groups of research participants. The most important group of participants are the companies and experts. Besides them, clients complete the sampling of the conducted research project. With the help of the three different populations, a better quality of the results might be achieved. Moreover, including clients in the research of marketing and communication in the construction

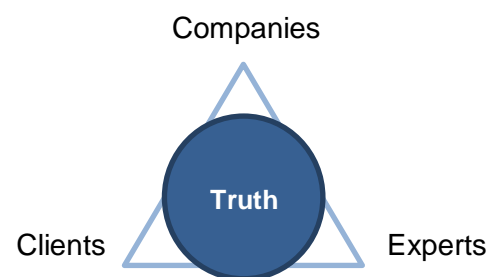


Figure 11: Triangulation of truth (own representation)

service industry was already suggested by different researchers two decades ago (Marr, Sherrard and Prendergast, 1996; Rwelamila and Lethola 1998). However, there was no study with such a sample conducted in the construction service industry in the meantime.

For all three groups, the sampling methods were non-probabilistic. The applied sampling design and profiles for the three sampling groups are available in the following sub-chapters. In addition, relevant information regarding the approach of interviewees as well as the response rate are stated below. However, the names of the participating companies, experts and clients are anonymized due to privacy reasons. Further, the anonymization helped the interviewees to share their wisdom and believes freely and thus improved the quality of data.

3.2.1 Sampling Companies

The sampling of the companies within the construction service industry is based on a convenient sampling as well as criteria sampling method.

Unit	A construction service company (no architect) with 200 or more employees.
Population	All construction service companies (no architects) with 200 or more employees.
Sampling Frame	All construction service companies (no architects) with 200 or more employees which have been identified by the researcher. In total, 28 construction service companies were contacted with an interview request. Twelve companies responded to the inquiries.
Sample	<p>Seven interviews were conducted with representatives of construction service companies. The participating companies can be characterized as following:</p> <ul style="list-style-type: none"> • Company A, based in Switzerland, Swiss and international orientation, over 1000 employees, interview with head of marketing and communication • Company B, based in Switzerland, Swiss and international orientation, between 200 and 500 employees, interview with head of marketing and communication • Company C, based in Switzerland, Swiss and international orientation, between 500 and 1000 employees, interview with an experienced marketing and communication employee • Company D, based in Switzerland, Swiss orientation, between 200 and 500 employees, interview with head of marketing and communication • Company E, based in Switzerland, Swiss orientation, between 200 and 500 employees, interview with head of marketing and communication • Company F, based in Germany, global orientation, over 1000 employees, interview with head of marketing and communication • Company G, based in the United Kingdom, global orientation, over 1000 employees, interview with head of marketing and communication Australasia

Table 4: Sampling companies

Potential interviewees need to have certain knowledge. Therefore, interview requests were sent to the responsible head of marketing and communication. This approach ensured that the researcher got access to the relevant information. Except for one case, where the interview was rescheduled with a competent employee of the marketing and communication division shortly before the appointment, all interviews were conducted with heads of marketing and communication or similar management positions.

The identification of the interviewees and their contact details was a challenge. If no direct contact was found on the website or over professional social media such as LinkedIn and Xing, a phone call via the general hotline of the company was used to get in touch with the potential interviewees. The identified potential interviewees received a first interview request per e-mail, which was followed up by several phone calls and e-mails when unanswered.

3.2.2 Sampling Experts

The sampling of experts is based on the convenient sampling method.

Unit	An expert in the field of construction service/AEC industry or B2B service marketing and communication.
Population	All experts in the field of construction service/AEC industry or B2B service marketing and communication.
Sampling Frame	All experts in the field of construction service/AEC industry or B2B service marketing and communication that have been identified by the researcher. In total, 15 suitable experts were identified and were contacted with an interview request per e-mail/contact form and/or phone. 5 experts responded to the inquiries.
Sample	<p>Five interviews were conducted with experts. The participating interviewees can be characterized as following:</p> <ul style="list-style-type: none"> • Expert I, partner of a leading Swiss marketing and communication agency with >30 years of experience in B2B service marketing as well as numerous insights to construction service companies • Expert II, co-founder and principal of an US based marketing and communication agency for AEC and other professional services industries with >20 years of experience in AEC marketing and communication • Expert III, founder and principal of an US based professional service marketing and communication agency focusing solely on AEC companies with >15 years of experience in AEC marketing and communication • Expert IV, founder and principal of an US based AEC marketing and communication agency since seven years and additional ten years of experience in marketing and communication positions within AEC companies • Expert V, founder and principal of an US based AEC (web) marketing and communication agency with >15 years of experience in AEC marketing and communication

Table 5: Sampling experts

Defining who is de facto an expert in marketing and communication of the construction service industry was not simple. In this research project, experts are defined as individuals with long-lasting experience either in construction service/AEC industry marketing and communication or in B2B service marketing and communication. Furthermore, experts needed to have knowledge about diverse companies in the industry and their marketing and communication.

The identification of the experts was based on an online research. The respondents were very interested in the study. However, not all of them found the time to participate as interviewees.

3.2.3 Sampling Clients

For the clients, the sampling is based on a maximum variation sampling as well as convenience sampling. Since the customers of the construction services are very diverse, the maximum variation sampling method aimed to include as many types of customers as possible to the research.

Unit	A private, semi-governmental or governmental organization that uses services from construction service companies.
Population	All private, semi-governmental or governmental organizations that use services from construction service companies.
Sampling Frame	All private, semi-governmental or governmental organizations that use services from construction service companies and which have been identified by the researcher. In total, 60 samples were identified and received an interview request by e-mail and/or phone. Twelve companies responded to the inquiries.
Sample	<p>Six interviews were conducted with private, semi-governmental or governmental organizations that use services from construction service companies. The participating interviewees can be characterized as following:</p> <ul style="list-style-type: none"> • Client 1, a railway company in Switzerland, interview with the head of infrastructure • Client 2, water construction at municipal level in Switzerland, interview with head of water construction • Client 3, building department at municipal level in Switzerland, interview with head of building/construction department • Client 4, a railway company in Switzerland, interview with a project manager infrastructure projects • Client 5, civil engineering at a town level in Switzerland, interview with the head of civil engineering department • Client 6, civil engineering at a cantonal level in Switzerland, interview with head of civil engineering department

Table 6: Sampling clients

Similar to the potential interviewees of companies, the interviewees representing the group of clients had to have a certain knowledge and position in order to be able to answer the specific questions. The interviewee needed to be involved in the decision making process as for example the buyer or decider for construction or infrastructure projects.

The identification of those contacts was based on an online research on both company websites as well as professional social media. A great number of potential interviewees from all types of clients were approached both via phone calls and e-mail. Although considerable efforts were made, the response rate was very low. In addition, many potential interviewees were not interested in partici-

pating due to a shortage of time or because they did not feel competent enough in the field of marketing and communication. Due to this reasons, it was not possible to include the intended variation of client types in this research. In fact, all participating client interviewees are either from semi-governmental or governmental organizations, which turned out to be a limitation based on the actual sampling. However, the purpose of the client interviews is to gather additional data from another perspective in order to complement the major data collection through company representatives and experts.

3.3 Data Collection Methods

The applied data collection method is interviews. The interviews with all three sampling groups were semi-structured. The advantage of semi-structured interviews is, that the gathered data was comparable due to the defined topics that were discussed in the interviews. However, a semi-structured interview still created the opportunity to uncover new findings that were not included in the interview guidelines.

Since the research project included interviews with three different sampling groups, the interview guidelines were adapted to the respectively target group. Furthermore, the interviews were conducted either in English or German, depending on the origin and language level of the interviewees. Although the predominant language of the research project is English, German interviews were a necessity to ensure that no relevant data stays uncovered due to language difficulties. Therefore, the interview guidelines were translated from English to German as well. Even though the three sampling groups are involved in a different role to marketing and communication in the construction service industry, similar questions were asked during the data collection in order to ensure the comparability of the data.

The three interview guidelines did not include many pre-formulated questions. In fact, they were only six pre-formulated main questions. However, each question was aligned with a list of relevant sub-topics the interviewer had to discuss within the topics. The strength of this interview guideline form is that the interviewees are able to fully bring in their knowledge and experience. On the other hand, the checklist with the subtopics ensures that all needed information are collected in each of the conducted interviews in order to enable a profound data analysis and data comparison. The English version of the used interview guidelines are available in the appendix for further information.

The semi-structured in-depth interviews were scheduled in advance and were expected to take around 45 minutes. Generally speaking, the interviews with clients took about 20 to 40 minutes whereas the interviews with company representatives and experts lasted between 30 and 70

minutes. In this research project, a multi-method qualitative data collection was applied. Due to the wide spread of the interviewees' geographical locations, the majority of the interviews were conducted either via phone or skype telecommunication. This was done because of better cost-effectiveness and due to environmental reasons. However, two interviews were conducted face to face in the offices of the interviewees. In addition, a few interviews with experts and several interviews with clients were conducted per e-mail respectively with the help of a qualitative questionnaire on Google Forms. The reason for including written interviews as well was to design the data collection as convenient as possible. This was necessary in order to ensure that some of the interviewee were able to participate in the research project.

The amount of interviews (18) is justified by the scope of the research, which is in fact one of the main limitations. The aim, to gather data from enough interviewees of each sample group in order to have an adequate diversity of data for the qualitative analysis was achieved. The two face to face interviews have been audio recorded on a dictating device. The skype and phone interviews were recorded over a skype or phone recorder. All recordings were started once the interviewee has accepted to be recorded.

Subsequently, each interview was transcribed as a base for the data analysis as well as for the replicability of the research projects and its implications for third parties. The transcriptions were made manually without using a specialized software. During the transcription phase, the interviews were anonymized. In case the interview was conducted in German, the researcher translated the interview during the transcription phase to English. In order to identify and eliminate any potential translation errors, the translated transcript has been double checked with the actual audio-recording of the interview. Occasionally, the interviews have been complemented with information from secondary sources such as the annual turnovers to calculate the marketing and communication budget in percentage of the turnover in order to increase the comparability.

The illustration in figure 12 on the following page offers a quick overview of the conducted interviews with the three sampling groups and the applied interviewing method during the data collection period.

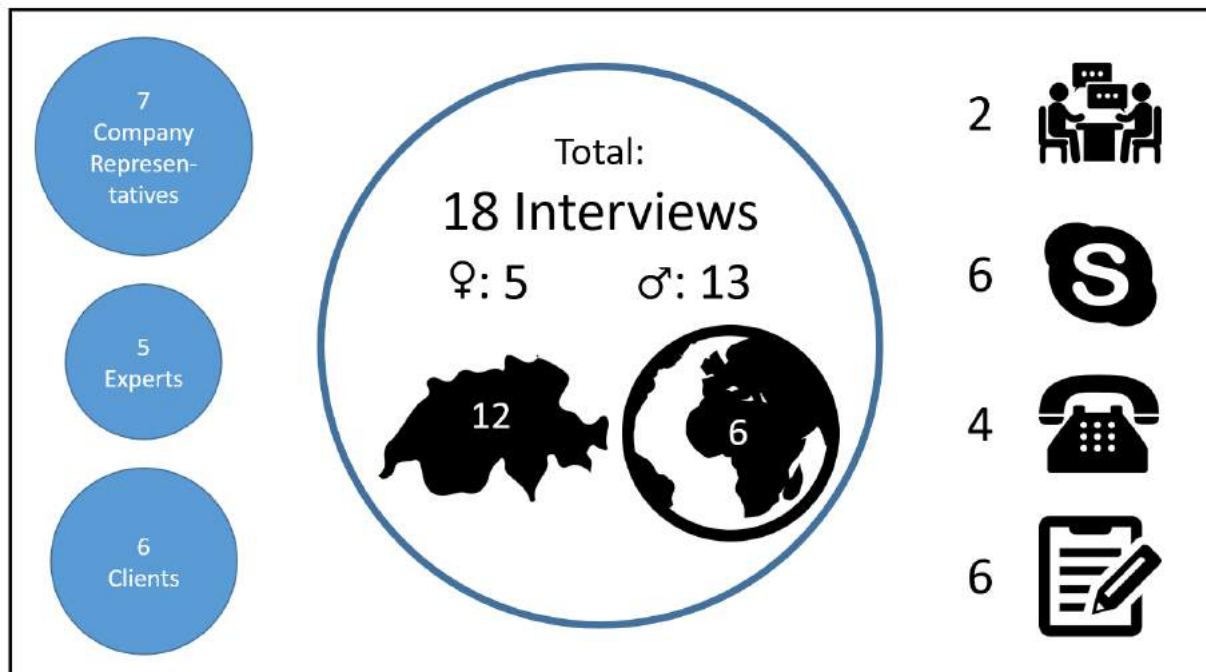


Figure 12: Illustration of research sampling and data collection methods (own representation)

3.4 Data Analysis Methods

The gathered data has been analyzed with the help of qualitative coding. Due to the great amount of conducted interviews, the computer assisted qualitative data analysis software (CAQDAS) Atlas.ti was used for the coding of the transcripts. However, already during the transcription of the interview, a superficial primarily analysis was done. The coded output based on the CAQDAS was then coded once again with pen and highlighter to expand on a more detailed coding. This was the base for the individual group findings, which were again the base of the cross-group data analysis. In the data analysis chapter, there is an individual analysis for each of the three groups of interviewees available followed by a cross-group analysis.

The qualitative coding was both of deductive and inductive nature. The coding list was based both on existing literature as well as the experience through the data collection and the preliminary coding during the transcription of the conducted interviews. Still, the coding list was adjusted and extended during the actual data analysis process too. This enabled the researcher to compare existing theories in practise while at the same time generate new findings. The applied coding list is available in appendix for further evidence.

3.5 Research Ethics

This master thesis research project did not violate any of Bryman's ethical principles (2008):

- There was no harm to participants due to the research. The interviews were conducted without exercising any physical or physiological harm to the participants in any stage.
- There was no lack of confirmed consent since all research participants agreed to take part in the study. Moreover, they were informed adequately in order to be able to decide if they will contribute with their knowledge to the research.
- There was no invasion of privacy due to any research activities. No undercover or non-disclosed research activities were used in the proposed project.
- No deception was involved in this research project.

The fact that the researcher was participating in an extracurricular internship programme at a construction service company during the research does not harm any research participants. The researcher's employer took part in the study as any other participating company did too. In the end, every participant will get access to the research and its findings. Furthermore, the master thesis will be available for the public. In conclusion, this research project did not face any considerable ethical conflicts or challenges.

3.6 Methodological Framework

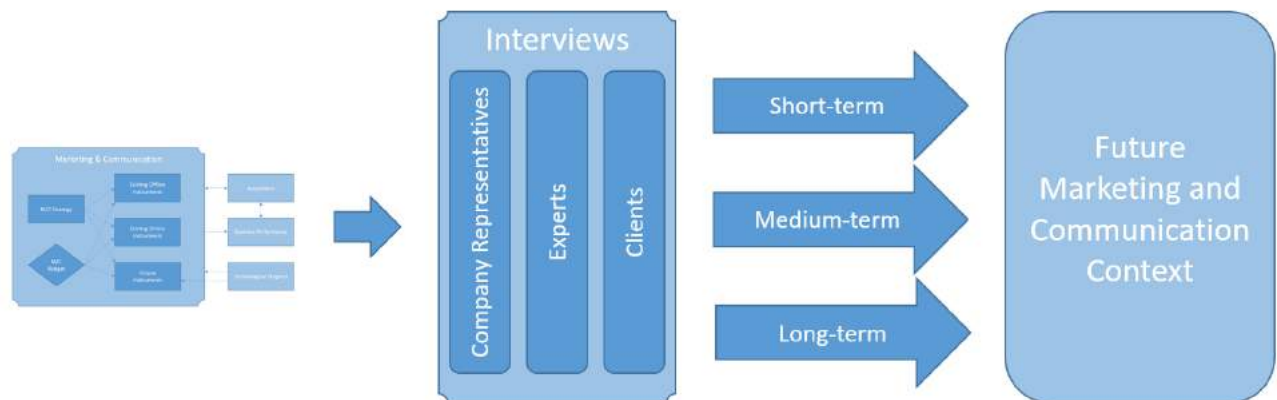


Figure 13: Methodological framework (own representation)

The methodological framework in figure 13 is based on the conceptual framework. In order to answer the research questions and meet the research objectives, numerous interviews with construction service company representatives, AEC or B2B service marketing experts and different clients of the construction service industry were conducted. Based on these interviews, the potential future development of marketing and communication in the construction service industry is anticipated in the short-term (up to twelve months), medium-term (up to five years) and long-term (up to ten years).

4. Data Analysis

In this chapter, the gathered data from the interviews is analysed. At the beginning, the data of the three different samples of interviewees are analysed independently. In the following three subchapters, the data is analysed within the groups based on the interviews with company representatives, experts and clients. In the subsequent subchapter 4.4, the data of the individual groups is compared and similarities as well as disparities and connections are elaborated in the cross-group data analysis.

The structure of both individual and cross-group data analysis is based on the following pattern: First of all, the development of marketing and communication in the past and the current state of strategies and instruments are explained. Secondly, the interviewees' opinions regarding the further development of marketing and communication in the construction service industry in the short- medium- and long-term is elaborated. Thirdly, the future allocation of the marketing and communication budget is discussed according to the view of the interviewees followed by the question how the business performance of construction service companies can be increase with marketing and communication. Fifthly and lastly, the data in context of acquisition and tender processes, their potential development in the future and the involvement of marketing and communication in these processes is described.

4.1 Data Analysis: Company Representatives

The data gathered in the interviews with company representatives is elaborated in this subchapter. The data shows that there are notable differences in how companies use marketing and communication as well as how it will develop according to their opinion. The data analysis is structured as explained above in the introduction to chapter 4.

4.1.1 Development and Current State of Marketing and Communication

It is undoubted that marketing and communication generally grew in the construction service industry within the recent years. The industry recognized the importance of marketing and communication (Appendix Interview E). The conducted interviews show that marketing and communication is in a phase of professionalization and that the recourses for it increased significantly (Appendix Interview A, B, E). While in some companies, the role of marketing and communication was just created recently, the number of responsible employees in the respective departments grew impressively in many other companies of the sample (Appendix Interview B, C, E). However, due to aggressive pricing in the industry, some marketing and communication departments currently have to figure out where to save costs in order to comply with the cost optimizing overall strategy (Appendix Interview B). Compared to other (B2B) industries, marketing and communication in the construction service industry is mainly communication rather than marketing (Appendix Interview B, F). Within this dis-

tinctive industry, one company of the sample even identified a new business opportunity with marketing and communication. Company C recognized that numerous clients have a need for a professional communication of their own projects, which is now part of the widespread services that the company offers (Appendix Interview C).

Marketing and Communication Strategy

According to the literature as well as practically speaking, the marketing and communication strategy has to be derived from the company strategy. While some companies successfully apply this, for many others it is more challenging due to limited resources or unclear overall strategies (Appendix Interview A, B, C, D). This is one reason why some companies have had or still have no clear strategy for marketing and communication (Appendix Interview D, E). Another difficulty is the very diverse field of expertise and company structures, under which circumstances defining an overall goal with a clear message is challenging (Appendix Interview A, E). The current strategies are partly consistent throughout most of the companies in the research sample.

One main strategy that all companies are striving for is to build and enhance the brand of their company (Appendix Interview A-G). This includes both corporate design and corporate identity as well as a clear positioning. However, the way how companies aim to achieve this varies. Some use an umbrella brand (Appendix Interview A, D). Others invest in client engagement and client relationships (Appendix Interview A, F, G). To trigger more emotions in this very technical industry is another strategy to enhance branding (Appendix Interview E). Internal communication as well as market research was mentioned by two interviewees as a marketing and communication strategy (Appendix Interview B, E, G). Interestingly, employer branding was not mentioned by any interviewee as a marketing and communication strategy. Interviewee C explained that they are “generally very restrained in terms of communication” and that they “have a very restrained culture of communication”, which seems to be quite usual in the construction service industry (Appendix Interview C, L. 17, 28-29).

Offline Instruments

In terms of marketing and communication instruments, a heavy change from print to online took place in the last five years (Appendix Interview A, B, C, F). Nevertheless, all interviewed companies still use numerous offline marketing instruments, which are mostly print and events, as presented in the table 7 below.

Print	<ul style="list-style-type: none"> - Brochures (Image, Competences, Services) - Business Reports - Client Magazines - Direct Mailings - Flyers - Printed Project-References - Internal Magazines/Reports 	Appendix Interview A, B, C, F Appendix Interview D, G Appendix Interview E Appendix Interview B Appendix Interview E Appendix Interview C Appendix Interview G
Events	<ul style="list-style-type: none"> - Client Events - Fairs, Trade Shows, Conferences - Job Fairs - Internal Events 	Appendix Interview A, B, D, E, G Appendix Interview A, B, C, F Appendix Interview C Appendix Interview E
Other offline activities	<ul style="list-style-type: none"> - Media and PR - Employees as University Professors - Employees as Speakers at Fairs - Banners at construction sites - Merchandising Articles - Advertising in (professional) Magazines 	Appendix Interview G Appendix Interview D Appendix Interview F Appendix Interview D, F Appendix Interview F Appendix Interview B, D

Table 7: Overview of current offline marketing and communication instruments

However, a quick search on their website verified that the mentioned print instruments as well as events are by far not the only ones of the sample companies. Nevertheless, it shows the importance of offline marketing and communication instruments in the industry – or as interviewee E points it out: “These are the things one nearly must have” (Appendix Interview E, L. 20-21). However, offline instruments are declining. Company C, for example, decreased their print instruments drastically to one single company brochure instead of producing several brochures for individual competences and services as they were used to before (Appendix Interview C).

Online Instruments

As already stated, there was a shift to digital marketing and communication recently (Appendix Interview A, B, C, F). However, some companies currently work in an ad-hoc manner rather than having a digital strategy (Appendix Interview D, F). It is not surprising that all companies use websites as an online marketing and communication instrument (Appendix Interview A-G). Interviewee G recognized the importance of a mobile-optimized website due to the constant rise of mobile users and

company C also recently re-launched their website with a responsive design (Appendix Interview C, G).

No interviewee stated that they are using search engine optimization (SEO). However, interviewee F explained that they do not use it because of the diverse services they are offering and also because depending on the type of the projects, customers know the expert companies rather than searching on google for building an airport or a dam (Appendix Interview F). Another frequently used online instrument are social media platforms, mostly LinkedIn and Xing (Appendix Interview A, B, C, E, F). Company B, for example, shares an article based on their internal expertise compendium on their social media channels every week (Appendix Interview B). Another company uses social media above all for recruiting reasons and does not share project related information in order to prevent any kind of shitstorms (Appendix Interview F). Similarly, Company C uses social media only for recruiting since they evaluated with selected costumers that there is no need for social media in the sales or client relationship context (Appendix Interview C). Based on the same evaluation, they decided to not implement an E-newsletter. However, other companies use E-newsletters actively (Appendix Interview A). While online instruments often not have as high external costs, the internal costs in order to produce content regularly can be significantly higher (Appendix Interview B).

Two interviewees also mentioned their intranet, which is the main instrument for internal communication nowadays (Appendix Interview E, F). This can include an internal CEO-blog with direct response options which works similar to an internal social media platform (Appendix Interview F). Company E offers an internal E-newsletter in addition to keep their employees up-to-date (Appendix Interview E).

It is obvious that online marketing and communication instruments are of key importance. However, how exactly the companies use them stays uncertain in most cases. Last but not least, interviewee C pointed out that word-of-mouth recommendations are crucial in the industry (Appendix Interview C). No marketing and communication instrument would be more effective than personal recommendations.

4.1.2 Marketing and Communication in the Future

Short-term Developments

There is a general perception that there will not occur any big changes within the next twelve months since the construction service industry is very passive (Appendix Interview E, F). But there are several minor developments that could take place in the next twelve months according to the company representatives. Most of them refer to online marketing and communication instruments. Websites will be further developed and social media is likely to be used more often (Appendix Interview B, D).

A key development will be the increased use of video and other visual content within the online instruments, which was stated in every second interview (Appendix Interview A, B, C, E). Due to the fact that users prefer to capture complex content in simple visualizations, video content will be more and more generated with professional experts (Appendix Interview B, E).

One company will increase their online advertising, in particular Google AdWords and LinkedIn-ads during the next year (Appendix Interview B). Moreover, further development of intranet is anticipated in two companies (Appendix Interview E, F). The trend in the direction of digitalization is not limited to marketing and communication but concerns the construction service industry in general (Appendix Interview F). Nevertheless, interviewee A points out that “everyone tells these days that online is king. The question for me is, if it is also king for the clients”, which he would not agree on (Appendix Interview A, L. 61-62). Further development of offline instruments was only mentioned twice. One time, where the company will increase their public relation (PR) campaigns about project finalizations (Appendix Interview D). Another time where a company will implement a sustainable reporting in the upcoming year, which will be used for marketing and communication too (Appendix Interview F).

Changes that could have effects on both offline and online instruments include the return to more account based marketing and communication and that engineering companies do increasingly dare to communicate about their projects instead of leaving all the glory to the architects (Appendix Interview E, G). Furthermore, interviewee G pointed out that there will be more hybrid workforces since he expects a greater balance between full-time and part-time employees as well as freelance contractors in the marketing and communication team (Appendix Interview G).

Medium-term Developments

The forecast on potential changes in marketing and communication within the next 5 years are diverse. The mix of employees in the marketing and communication team will be even more important (Appendix Interview G). The use of website and social media will continue (Appendix Interview D). Marketing and communication might focus more on the emotionalization of their brands and corporate behaviour is potentially becoming a sustainable part of the corporate identity in medium-term (Appendix Interview E). However, the most important change in the next five years according to the company representatives will be the customization of marketing and communication (Appendix Interview A, B, F, G). With the new possibilities of data mining and big data, both online and offline marketing and communication instruments will be customized to the explicit target group or even to the specific customer. This is in particular exciting for larger companies that integrated many competences within an umbrella brand. Interviewee A explained that on the one hand a specialisation, where companies focus on a narrow field of specialty, and on the other hand an increasing integration, where companies build groups across different competence, will take place (Appendix Interview

A). Within both types of companies, knowledge management will be of key importance (Appendix Interview B, F). The centralization of knowledge as well as accessibility of it will be crucial. Therefore, the internal communication and the development of the intranet are essential strategies for the future (Appendix Interview E, F). In order to use synergies more effectively, the intranet should be customized to the employee and its needs as well as offer a messaging function to foster the internal exchange of expertise (Appendix Interview F).

Another main topic in the next five years will be the ongoing digitalization of the construction service industry (Appendix Interview E, G). The move from text to picture as well as from offline to online instruments will most likely continue (Appendix Interview C, F, G). But there are different scenarios how it will develop: While company B will increase their paid ads in the next twelve months, company C aims to foster their storytelling activities in the next five years, which is basically an increase of content marketing (Appendix Interview C). And while company D might use social media more often, interviewee G believes that artificial intelligence will become a tool for marketing and communication in the medium-term (Appendix Interview D, G). This comparison is just one example that shows how different the company representatives forecast the future development of marketing and communication in the construction service industry.

Long-term Developments

Having a look on marketing and communication in the long-term, the digitalization is viewed as the main topic (Appendix Interview C, E, F). But again, what it means exactly is debatable. While interviewee E believes that traditional offline marketing instruments will disappear in the next ten years, interviewee F forecasts that the allocation between offline and online marketing and communication will be equally split (Appendix Interview E, F). Within the digitalization, big data in connection with customization as well as content marketing will keep being important topics (Appendix Interview A, E).

Another vision of the interviewees is that branding will stay important in the long run (Appendix Interview A, G). Building the brand will still be crucial because of the ongoing preference to work with experienced and well-known brands. Furthermore, the relationships between the company and the clients will continue to be important in ten years – in howsoever form they will be maintained in the future (Appendix Interview G). Despite the several visions for how marketing and communication could develop in the long-term, it is very hard to predict a business outlook for the next 10 years (Appendix Interview G). One company representative concluded accurately “the only thing I know is that we have to keep ourselves informed and that we have to analyse the situation constantly and adapt our strategy and instruments accordingly” (Appendix Interview C, L. 70-71).

Online Marketing and Communication			Offline Marketing and Communication		
Short-Term	Medium-Term	Long-Term	Short-Term	Medium-Term	Long-Term
<ul style="list-style-type: none"> - Website - Social Media - Video / Visual Content - Paid Ads - Digitalization in Industry 	<ul style="list-style-type: none"> - Customization - Content Marketing - Website - Social Media - Video - Big Data - Intranet - Digitalization in Industry - Artificial Intelligence 	<ul style="list-style-type: none"> - Customization - Content Marketing - Website - Big Data 	<ul style="list-style-type: none"> - PR - Sustainable Reporting - Key-Account Marketing - Hybrid Workforce 	<ul style="list-style-type: none"> - Hybrid Workforce - Emotions - Corporate Behavior - Knowledge Management 	<ul style="list-style-type: none"> - Offline: between inexistence to equally important than online - Branding - Relationship Marketing

Table 8: Overview of marketing and communication development according to company representatives

4.1.3 Allocation of Marketing and Communication Budget

Not all company representatives were willing and allowed to share their knowledge about their current marketing and communication budgets (Appendix Interview C, E). Thanks to others who openly shared the information, an insight on the current budget amounts and allocation is still possible. As stated in chapter 4.1.1, companies in the construction service industry increasingly recognize the importance of marketing and communication. Nevertheless, decision makers are often unwilling to invest more in marketing and communication (Appendix Interview D). What needs to change in the future is the perception of marketing and communication. According to interviewee D companies need to realise that it is an investment rather than an expense.

Current Marketing and Communication Budget

The amount of the marketing and communication budget is an interesting number. Company G stated that they invest about 5% of their turnover in marketing and communication (Appendix Interview G). Three companies actually stated the amount of their marketing and communication budget. To put it into relation, the following table 9 shows how much money is invested in marketing and communication per employee per year. Another indicator is the marketing budget in relation of the annual turnover. Most of these numbers are the budgets for external costs and do not include the cost for marketing and communication employees.

Company	Budget per employee per year	% of turnover	Source
Company A	500 CHF	0.37%	Appendix Interview A
Company B	715 CHF	0.60%	Appendix Interview B
Company D	700 CHF	0.41%	Appendix Interview C
Company G	n/a	5.00%	Appendix Interview G

Table 9: Current marketing and communication budgets

Furthermore, marketing and communication budgets are often based on the group level and do not include the marketing and communication activities which take place at regional branches or single competence centers (Appendix Interview A, B, D). The allocation of the budget is currently clearly focusing on offline instruments: The interviewed companies invest just 10 – 20% into online instruments nowadays (Appendix Interview A, B, F). However, two interviewees pointed out that the time investments of the employees are in favor of online instruments (Appendix Interview B, E). The majority of the marketing and communication budget is currently spent on print/media, events and marketing support/business proposals (Appendix Interview A, D, G).

Future Increase of Marketing and Communication Budget

According to the company representatives, there are several areas where the marketing and communication budget has to be increased in the future. Interviewee A strongly believes that internal communication has to be similarly important than external (Appendix Interview A). Both for excellent client services as well as for employer branding, empowerment, which is based on a transparent communication, is of key importance. Furthermore, the marketing and communication workforce is advised to be increased in the future in order to achieve consistent results (Appendix Interview D).

Another budgetary item that should get more attention is the process of analysing trends including their potential and to update the marketing and communication strategy accordingly, which often gets missed out in today's result oriented budgets (Appendix Interview C). Of course, there is a need for budgeting the customization of marketing and communication instruments as it is mentioned to be one of the future game changers in subchapter 4.1.2 (Appendix Interview F). The budget for online instruments should be increased in general according to the company representatives (Appendix Interview C, F). In particular the budget for content marketing, SEO and analytics. Speaking about the offline instruments, both interviewee E and F are in favour of raising the budget for relationship marketing in order to facilitate the personal contact as well as during the time of increasing digitalization (Appendix Interview E, F). Moreover, the opportunity to be present at the actual construction site as engineering, planning or consulting company should be used more often (Appendix Interview F).

Future Decrease of Marketing and Communication Budget

The interviewed company representatives do not see as much room for decreasing budgets as increasing budgets. In fact, interviewee C stated that the budget must not be decreased anywhere since it is too small anyways (Appendix Interview C). Some areas where budget could be saved in the future were still detected. First of all, one interviewee expressed that he is sceptic about the effectivity of advertising, both offline but as well online (Appendix Interview A). Another field of uncertainty in terms of usefulness are social media networks (Appendix Interview E). Furthermore, interviewee B pointed out that the budget could be decreased by declining all of the so called rip-off advertising and media requests (Appendix Interview B). Moreover, customizable marketing and communication tools are often highly overpriced and it turns out that less expensive standard software solutions offer a better cost-benefit ratio (Appendix Interview B, G). Due to the ongoing trend of digitalization, the budget for print instruments should be decreased in the future according to interviewee F, which matches with the potential development of online marketing and communication and the currently very offline oriented allocation of marketing and communication budgets (Appendix Interview F). However, he believes that in about 10 years, the budget allocation for online and offline marketing and communication will be split approximately equally.

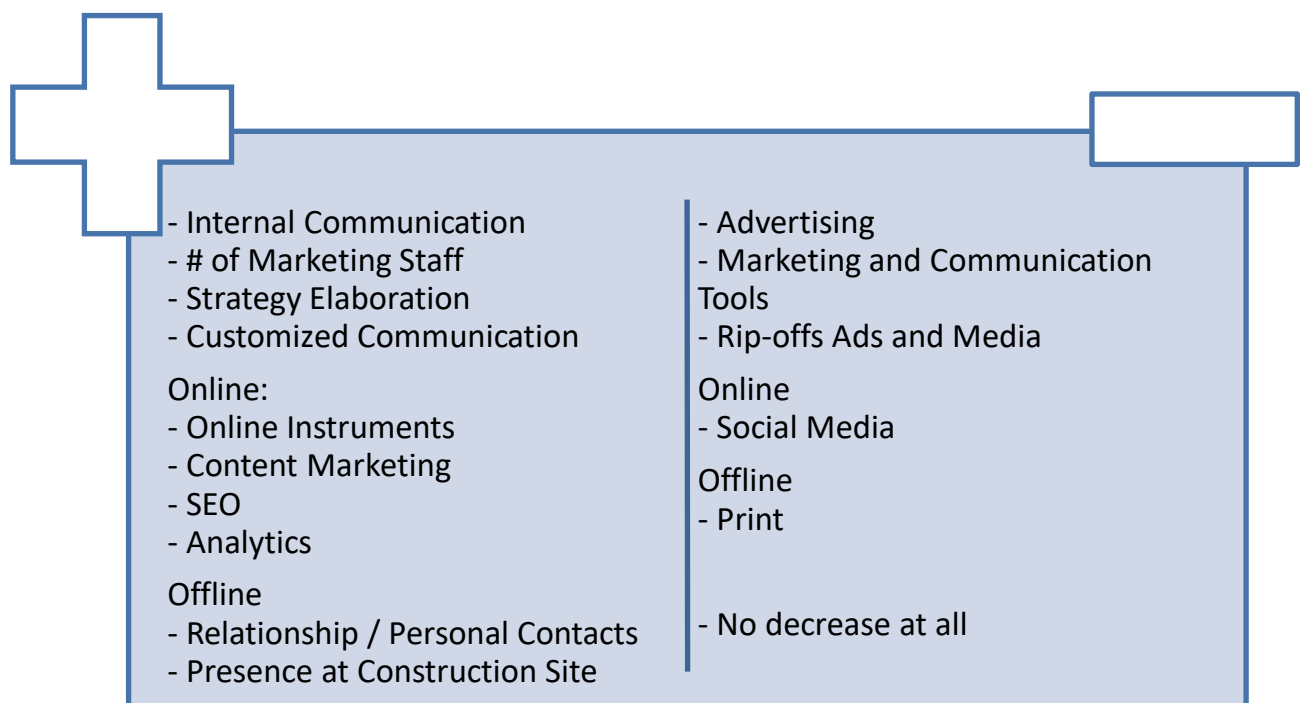


Table 10: Future budget allocation according to company representatives

4.1.4 Business Performance

The ultimate question for marketing and communication representatives is of course how they can help to improve the business performance of their company. Interestingly, the dominance of online instruments is vastly decreasing in this section of the interviews. Solely interviewee B consequently talked about online instruments (Appendix Interview B). He explained that his company is planning to conduct an online survey with its clients in order to research their satisfaction and to identify where they have room for improvement. Another point he mentioned is, that they already analyse their website in regards of clicks and time spending on the sites. Nevertheless, the true effect on sales, which is the conversion rate, cannot be measured in this industry (yet). The measurement of marketing and communication success is very challenging in the construction service industry. One interviewee believes that awareness and reputation are still factors that are important for improving the business performance (Appendix Interview E). On the contrary, another head of marketing and communication literally stated that they “do not get a new project because they have a good marketing”, which sounds not very promising (Appendix Interview D, L. 109-110). Specific ways to measure marketing and communication were explained by interviewee G (Appendix Interview G). According to his remarks, measuring the data over a period of time is of key importance so that the development can be assessed. Therefore, his company purchases a local secondary research every other year that is measuring the perception of companies of the construction and construction service industry in the market. Furthermore, a media monitoring takes place on an annual base, where he puts his share of voice in relation to the one of direct competitors.

For interviewee F the sustainable management certification is a success story (Appendix Interview F). He received a lot of positive feedback but more importantly an increasing number of clients are requesting such certifications as a criteria for assigning projects. Events are another tool to really enhance the business performance for two reasons: First of all, it is an opportunity to present a company's competences and secondly it creates time to network and talk about new businesses (Appendix Interview A, D). Having the best employees in this knowledge driven industry is indisputably essential. However, employer branding with fancy advertisements attracts not the best employees, explains interviewee A (Appendix Interview A). In his opinion, attracting them with interesting task and projects and an empowered work environment which offers them the opportunity to apply their talents is the way to do it. In the end, investing in one's employer qualities is important. The word will spread itself.

4.1.5 Acquisition and Tender Processes

The business performance is strongly depending on the acquisition of projects. Attracting new and retaining existing clients is typically part of marketing and communication. However, the majority of

company representatives stated that marketing and communication is not at all involved in the acquisition and tender processes or only as supporting unit providing the departments and branches with templates (Appendix Interview B, D, E, F). In contrast to this, the marketing and communication departments of two other companies are often involved or even recognize the bids and proposals as a main responsibility of them (Appendix Interview C, G). “We have to make sure that we place the right proposals with the right bids at the right stage” describes the Australia based interviewee (Appendix Interview G, L. 20-21). He explains that several employees in his department are responsible for screening all key proposals of the company in order to fulfil this task.

Tender processes became very transparent and it is obvious that the prices, which are extremely under pressure, are the number one criteria (Appendix Interview A, B, C, D). Companies are constantly trying to undercut competitors in this price sensitive environment (Appendix Interview C, D). One strategy to react to this is to attract as many projects where the acquisition is not based on a tender process (Appendix Interview A). But clearly, large companies have to propose for projects assigned with tender processes too (Appendix Interview A, E, F). Since the regulations are very strict and events or invitations are promptly regarded as bribery, the only way to stand out is with individual designs and presentations of the proposals (Appendix Interview E, F).

While interviewee G believes that these processes will not change significantly in the future, interviewee C forecasts that the administrative effort will even increase due to the further increase of the extent of documents (Appendix Interview C). Since the price will most likely keep its importance, efficiency will be crucial in the future (Appendix Interview C, G). But there are already initiatives which aim to increase the efficiency of the processes with the help of the digitalization (Appendix Interview F). In the end, the building information modelling (BIM) has the potential to revolutionize the acquisition and tender processes in the long-term.

4.2 Data Analysis: Experts

The data of AEC industry and B2B professional service marketing and communication experts are offering various insights in the future of marketing and communication in the construction service industry. The data analysis is structured as explained in the beginning of chapter 4.

4.2.1 Development and Current State of Marketing and Communication

Marketing and communication has been changing rather dramatically in the construction service industry, especially in relation to other industries (Appendix Interview II). Interviewee II stated as well, that the main reason for this dramatic change is the fact that the industry is behind the time and that it is trying to catch up again. According to the experts, more and more companies recognized

the importance of marketing and communication (Appendix Interview II, III). However, many companies have very limited resources or were even forced to downsize their marketing and communication departments recently (Appendix Interview I, III). Construction service companies became increasingly comfortable with outsourcing marketing and communication tasks for various activities explained interviewee III (Appendix Interview III).

Marketing and Communication Strategy

While interviewee I thinks that the marketing and communication strategies did not change that much, other experts recognized quite some development in the strategies within the last five years. The digitalization finally arrived in the construction service industry as well. In the past, relationship marketing was perceived as the only way to attract new customers and projects (Appendix Interview V). Nowadays, the emerging strategies are thought leadership and content marketing (Appendix Interview IV, V). However, just a minority of firms are implementing these strategies already and many of them are actually struggling to do so successfully. Furthermore, due to the increasing war of talents, employer branding is of key importance today (Appendix Interview II, IV). Another observation of an expert is that companies in the construction service industry are becoming more aware of the importance of branding, which helps to create and maintain a loyal customer base (Appendix Interview II).

Offline Instruments

It is impressive that experts evidently mentioned more online marketing and communication instruments compared to offline instruments that would be used nowadays in the industry. As offline instruments, traditional relationship marketing, networking events, trade shows and strong print material such as brochures, flyers, direct mails and display banners were mentioned (Appendix Interview III, V).

Online Instruments

According to the experts, online instruments got increasingly important. The access to information changed and there is a strong emphasis on digital communication (Appendix Interview I, III). According to interviewee I, companies in the construction service industry think that online instruments have huge potentials because they can get in touch with the target groups in a less expensive way. Therefore, online instruments would be an effective solution for their very limited marketing budget (Appendix Interview I). However, in expert III's opinion, many companies have difficulties to implement effective and consistent online instruments because they are not truly dedicated and willing to invest resources (Appendix Interview III). Nevertheless, websites are starting to get more advanced and

attractive for the target group compared to the past, where they often were a kind of online brochure (Appendix Interview I, II).

Due to the emerging thought leadership and content marketing strategies, blogs and social media are used increasingly in the construction service industry (Appendix Interview I-V). Interviewee V summarized the development of thought leadership and content marketing, which all expert interviewees mentioned, that companies went from “blissfully unaware to being curious and making steps in this direction” in the last few years (Appendix, Interview V, L. 21-22). LinkedIn is the most mentioned social media platform. However, Facebook, Instagram, Twitter, Xing and video sharing platforms such as YouTube and Vimeo were mentioned too (Appendix Interview I, III). Overall, video as well as visual content in general, became way more important in marketing and (Appendix Interview III, IV).

4.2.2 Marketing and Communication in the Future

The experts' forecasts for marketing and communication in the future are pretty diverse. Nevertheless, a clear trend to online marketing is visible.

Short-term Developments

Within the first twelve months, the digital trend will continue and the usage of online marketing and communication instruments will be increasing (Appendix Interview I, III). Websites will further develop in the upcoming year. Responsive design and SEO are two of the main topics (Appendix Interview II, IV). Interviewee I explained that in his opinion, websites will increasingly be targeted to the specific recipient with relevant information for different target groups, which is basically an extensive use of landing pages (Appendix Interview I). Another content related input came from interviewee V, who explained that websites should be built as a service around a problem rather than a solution looking for a problem (Appendix Interview V). Summarizing the possible development of the websites in the next twelve months, they both have to become more relevant for the user as well as be updated to the latest technology. In addition, there will be a greater interest in webinars and marketing automation (Appendix Interview I, II).

Apart all the digital developments, interviewee III pointed out that there will be still a need for both online and offline marketing and communication (Appendix Interview III). A general marketing and communication topic during the next year within the construction service industry will be branding. But first, companies have to figure out what their core competence is and how to articulate “what they do, how they do it and why it matters” (Appendix Interview V, L. 37). One way to deliver this message is with videos, which will be used even more in the upcoming year (Appendix Interview II).

Besides branding, videos are a good instrument for employer branding and recruiting and are also helpful in terms of SEO.

Medium-term Developments

Before digging into the development of marketing and communication within the next 5 years, one expert statement about the changing industry context is of great interest. Interviewee V pointed out that there will be a massive transition of decision makers (Appendix Interview V). Due to the immense number of seniors that will retire in the next years, a large number of decision makers will be part of the generation X in the medium-term. While growing up with the rise of the commercial internet, this generation is more comfortable to find and hire a firm online compared to their previous seniors. The new decision makers on the client side will be less local and more expert driven, which will have a significant effect on the future of marketing and communication in the construction service industry.

This statement reflects one aspect why it makes sense that thought leadership and content marketing are some of the hot-topics on the agenda for marketing and communication in the medium-term according to the interviewed experts (Appendix Interview III, IV, V). The general opinion is that the importance of online marketing and communication will continue to increase and might already become more important than offline marketing and communication within the next five years (Appendix Interview III, IV). Interviewee II presumes that artificial intelligence, virtual reality and 3D-viewing will be playing a role in marketing and communication in the construction service industry by then too.

With the ongoing rise of the digitalization, human beings will be confronted with a constant overload of information. Therefore, trustworthiness and access to communities and professional association will be crucial (Appendix Interview I). Once a company receives access to the target group with the help of relevant content or personal relationships (which will be necessary to bypass the filters), a chat-like, short, relevant and efficient discussion could take place. Above all, the expert is convinced that relevance for the respective target groups will be of key importance (Appendix Interview I). Interviewee I continues that this relevance refers not to online marketing and communication only. Being present at relevant fairs and building relevant relationships in the real life will be essential too.

Long-term Developments

Predicting the development of marketing and communication in the construction service industry in the long run is difficult (Appendix Interview I, IV, V). Technological development such as artificial intelligence and the industry 4.0 will have a significant impact on the industry as well as on marketing and communication (Appendix Interview I). Based on that, whole new business models can and probably will evolve within the next ten years. Interviewee V, on the other hand, predicts a very

challenging future due to economic crisis and massive recessions or even depressions (Appendix Interview V). According to his opinion, companies in the construction service industry have to build their expertise and reputation with thought leadership within the next years in order to survive in this potentially harsh economic environment of the future.

Another long-term forecast is that the role of marketing and communication within organizations will evolve and gain more power and credibility (Appendix Interview II). Regarding the importance respectively existence of offline marketing and communication, the experts' opinions are contrary. While the US based interviewee III believes that print will become obsolete, the Swiss based interviewee I thinks the three main pillars of marketing and communication, which are digital, print and events, will still exist and be relevant in ten years (Appendix Interview I, III).

Online Marketing and Communication			Offline Marketing and Communication		
Short-Term	Medium-Term	Long-Term	Short-Term	Medium-Term	Long-Term
<ul style="list-style-type: none"> - Website Development - SEO - Video - Webinar - Marketing Automation 	<ul style="list-style-type: none"> - Thought Leadership - Content Marketing - Relevance - New Technologies (AI, VR) 	<ul style="list-style-type: none"> - New Technologies (AI, Industry 4.0) - Relevance - Thought Leadership 	<ul style="list-style-type: none"> - Branding - Both Offline and Online 	<ul style="list-style-type: none"> - Real-life, Relationships - Relevance 	<ul style="list-style-type: none"> - Between obsolete and still important

Table 11: Overview of marketing and communication development according to experts

Unsurprisingly, technological progress will be of key importance for the development of marketing and communication (Appendix Interview II). Marketing automation has a great potential in the industry (Appendix Interview II, V). However, how marketing automation, artificial intelligence, industry 4.0 and virtual reality will develop and how these upcoming technologies will be implemented in the construction service industry is very uncertain, as the statement of interviewee II shows:

“That’s a hard one you know, I think now it just seems to be the hot thing that people are playing with. The new way that is out there. Whether it does catch on and will be integrated in marketing is, I guess, to be seen. But you know it might be something that I could imagine somewhere down the road that it could be integrated to the websites or maybe it is an app or become some kind of a tool which they are using to help to sell their services. For example in pitches, to show projects and get people more engaged. I am not really sure, but I could see potential possibilities” (Appendix Interview II, L. 110-115).

Simultaneous, privacy-, data-protection and other laws and regulations will develop too and no one really knows how exactly. But in the end, the future of marketing and communication is very much depending on its circumstances (Appendix Interview I).

4.2.3 Allocation of Marketing and Communication Budget

Current Marketing and Communication Budget

For experts, gathering knowledge about the amount and allocation of marketing budgets is difficult since many companies withhold this information (Appendix Interview I, II). In addition, the allocation of the budget is very company specific, which will be true in the future as well (Appendix Interview II, III). Nevertheless, some experts were able to state some budgeted related observations. A US based expert explained that other professional service companies are investing as little as 3% of their turnover to marketing and communication, which will not be significant higher in the construction service industry (Appendix Interview II). According to the Swiss based interviewee I, marketing and communication budgets did not decrease in the recent years (Appendix Interview I). However, a shift in allocation took place. He further explained that companies are expecting more for the same amount of money they spend on marketing and communication due to the perception that online marketing is less resource dependent.

Future Increase of Marketing and Communication Budget

The generic opinion of the expert interviewees is that marketing and communication budgets need to be increased in the future (Appendix Interview II, III). The views on allocating the budget in the future vary. Interviewee I pleads that branding and brand visibility at the relevant touch points needs to be prioritized (Appendix Interview I). In addition, much more has to be invested into a website with a clear focus, particularly into SEO and content. Moreover, budgets for relationship marketing of the key clients, which need to be taken care of personally as well in the future, have to be increased. On the other hand, advertising and sponsoring based on goodwill has to be canceled rigorously. Interviewee I expects that around 10% of an average marketing and communication budget can be saved with that single action.

More investment in branding, advanced websites, SEO, though leadership and content marketing, social media and marketing automation is mentioned several times by different experts of the sample (Appendix Interview I-V). Interviewee II also mentioned the future importance of educational events both online (webinars) and offline events such as lunch'n'learns or breakfast seminars (Appendix Interview II). According to two experts, the aspect of strategic marketing and communication planning needs to get more attention and budget allocation in the future (Appendix Interview III, IV). Interviewee V aims in the same direction: He argues that companies in the construction service

industry need to invest more in marketing leaders and thinkers in the future (Appendix Interview V). He underlines its importance explaining that “it is not about the next project, but it is about building a sustainable flow of opportunities in a certain industry category or discipline” (Appendix Interview V, L. 107-108).

Future Decrease of Marketing and Communication Budget

The list of instruments with decreasing budgets in the future is less extensive. Similar to interviewee I, interviewee III states that common marketing and communication investments need to be questioned (Appendix Interview III). Just because it was always done in a certain way in the past means not it is the best way to do it in the future too. While investing into customer relationship management (CRM) of key clients is favourable, focusing the majority of the marketing and communication budget on relationship building is not advisable in the future (Appendix Interview V). One expert directly questions several offline marketing instruments, such as traditional advertising, trade shows and sponsorships (Appendix Interview III). Furthermore, he states that the efforts for submitting proposals to tenders which the company is not qualified for is an equally waste of (marketing and communication) budget – today as well as in the future. The picture is pretty clear: The allocation of the marketing and communication budget in the future according to the interviewed experts is undoubtedly in favor of online marketing as well as a profound marketing and communication strategy. Just one expert mentioned that the budget for (online) news about hires, project wins or completions, which are focused on the companies itself, should be decreased in the future (Appendix Interview IV).

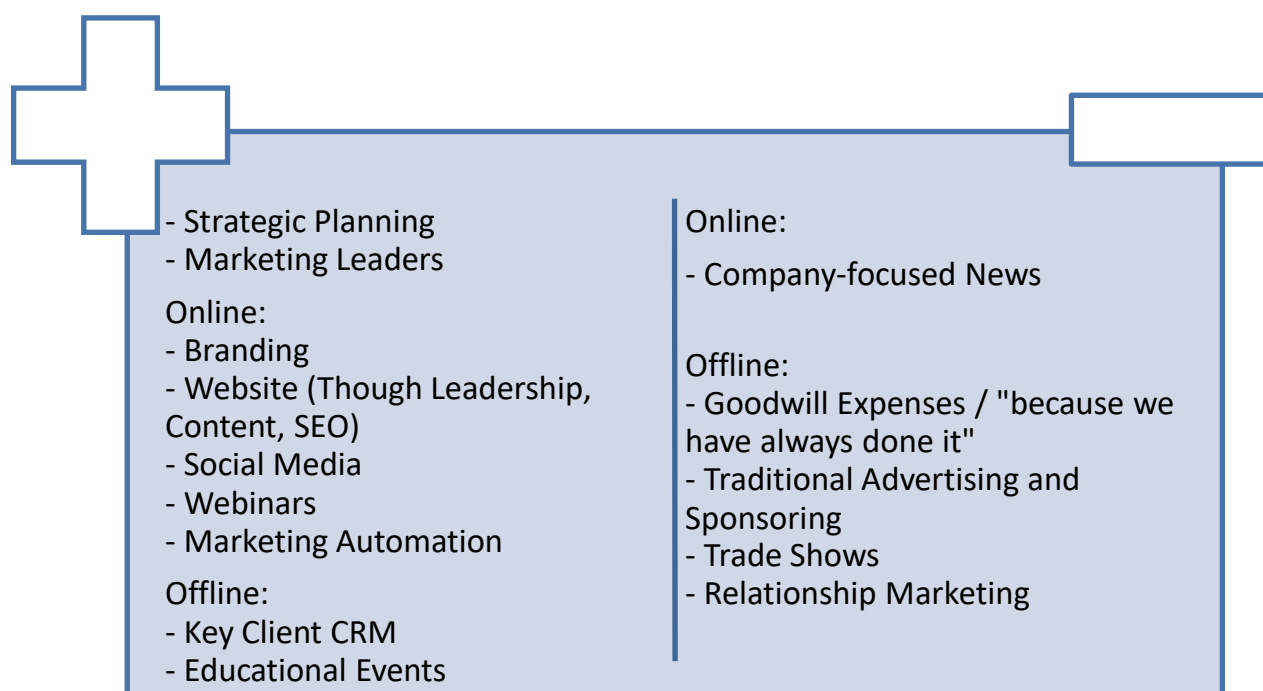


Table 12: Future budget allocation according to experts

4.2.4 Business Performance

Previously, the experts' opinions regarding the future marketing and communication in the construction service industry were elaborated. However, the ultimate aim of a company is not to improve marketing and communication but to improve their business performance. This subchapter shows where experts see potential to visibly improve the business performance of construction service companies with marketing and communication today as well as in the future.

Marketing and communication is the backbone of the daily sales. One of the very basic but yet always challenging task in marketing and communication is the measurement of its effectiveness. In particular with the digitalization, lots of numbers can be collected and measured. However, companies need to take care that they do not relate on pseudo success measurements (Appendix Interview I). It is crucial that an indicator is measured before and after an activity in order to compare the results. Without that comparison, the number is - both in online and offline marketing and communication - nearly irrelevant. A company that worked together with interviewee V for example measured that with their newly established blog, they get in average 10% of the website traffic throughout the blog, which generates up to 20 solid business requests per week (Appendix Interview V). This is a clear evidence that the thought leadership strategy worked out compared to the previous situation without the blog.

The interviewed experts also mentioned other proven marketing and communication strategies in the construction service industry. Since every professional service company is strongly dependent on its employee, it is critical that a company is able to attract and retain the best talents (Appendix Interview II). Besides a trustworthy employer branding, the recognition of internal marketing and communication, which closely relates to employee satisfaction, is of key importance (Appendix Interview III). Another successful strategy is to narrow ones focus (Appendix Interview IV). Through developing expertise in one or in a few selected key markets, several different positive outcomes are obtained: Thought leadership within the selected markets, a high google search rank due to the specificity of the services on the website as well as satisfying potential clients looking for a specific solution to a specific problem.

4.2.5 Acquisition and Tender Processes

The acquisition of projects is crucial for the business performance and is closely related to marketing and communication too. It is evident, that experts are not as close to these processes in the construction service industry as the company representatives and clients are because they are not directly involved. Nevertheless, a small amount of relevant data was collected from experts as well, which is presented here.

Three out of four experts, which answered the interview questions regarding the acquisition and tender processes where already involved in the process while working together with companies (Appendix Interview I, II, III, V). One expert, for example, developed efficient and attractive templates for proposals, which look more like magazines rather than the common word documents with bullet points (Appendix Interview II). Interviewee I did a questionnaire within the construction industry where he found out that the documentation was nearly irrelevant and that personal contacts were indispensable (Appendix Interview I). This might be true for projects that are assigned directly without an invitation or public tender process in the construction service industry too.

The experts also recognized, that these processes, which are frequently tied to strict legal requirements, are very time consuming and require lots of resources (Appendix Interview I, V). Expert opinions on how these processes will develop in the future are rare. One forecasted that there won't be much changes in the future while another anticipated a generational transition in the rule makers of these processes, which might result in changes in the long run (Appendix Interview III, V).

4.3 Data Analysis: Clients

The data gathered through interviews with clients of the construction service industry is not as comprehensive compared to the company representatives and experts. Nevertheless, there were a few interviews with profound inputs. The results are presented in the same structure as usual. However, the amount of data based on this group of interviewees is clearly less extensive.

4.3.1 Development and Current State of Marketing and Communication

There are massive differences in the clients' perception on marketing and communication of their construction service suppliers. While client 4 says that how marketing and communication is managed today is good, client 1 is disagreeing (Appendix Interview 1, 4). However, interviewee 1 explains that the industry in general is very passive and that needs often cannot be generated with marketing and communication. Therefore, he summarizes, marketing and communication cannot influence the client that much. The opinion is shared that only minimal marketing and communication activities towards the semi-governmental companies are useful (Appendix Interview 1, 4). For governmental organizations such as public authorities, marketing and communication of construction services is often "not much relevant or even irrelevant" (Appendix Interview 5, L. 29).

What clearly stands out in the client interviewees is the importance of relationships and personal contacts in this knowledge driven industry (Appendix Interview 1, 2, 4, 5, 6). These relationships can be maintained at events and fairs (Appendix Interview 2, 6). However, interviewee 1 explains that these relationships are not limited to company representatives (Appendix Interview 1). In fact, stay-

ing in touch and sharing information within the industry in general and receiving word of mouth recommendations from other clients is crucial. Printed company brochures but also E-newsletters are often too broad and contain too much irrelevant information for the individual target groups (Appendix Interview 2). This is the reason why most of them are not read and are ignored most of the time. Instead of the push instruments, pull instruments such as the website are appreciated more (Appendix Interview 2, 3). However, it is of general importance in the industry that relevant information with facts about services, specialists, materials and technical specifications are available (Appendix Interview 1, 2). Another way to reach the target group is with the help of PR activities, in particular in specialists magazines (Appendix Interview 5, 6). The different perception of clients about marketing and communication in the construction service industry demonstrates how difficult it is to fulfill the needs of the individual target groups and shows that a “one-size-fits-all” solution is not suitable in the future.

4.3.2 Marketing and Communication in the Future

Short-term Developments

In the subchapter above, the diverse needs of clients in terms of marketing and communication were described. But how do the interviewed clients see the future of marketing and communication? There is a broad agreement that there will hardly be any changes in the next twelve months (Appendix Interview 1, 2, 6). Relationship marketing, which often involves events, will remain important (Appendix Interview 2, 5). The increase of promotions through online instruments such as E-newsletter is likely to continue (Appendix Interview 3). Due to the regulation for submissions, decisions are still based almost exclusively on the price (Appendix Interview 4, 5). Interviewee 4 forecasts that the marketing and communication activities in the construction service industry will rather decrease in the next year due to this destructive price competition (Appendix Interview 4).

Medium-term Developments

Interviewee 4 believes that the decrease of marketing and communication will continue in the medium-term too due to the conservative and solely on price depending submission regulations (Appendix Interview 4). In his vision, marketing and communication will slowly be replaced with lawyers in order to handle procurement complaints. Other clients forecast two main developments that potentially take place within the next five years: The use of extensive data collection and analysis, which is basically the implementation of big data (Appendix Interview 1, 3). With the help of big data, the customization of content will become possible and therefore targeted marketing and communication instruments with relevant information will be used in the construction service industry, which is the second major development (Appendix Interview 1, 3). Another radical change will be marketing

and communication with and within building information modeling (BIM), as one client can imagine (Appendix Interview 6).

Long-term Developments

The same interviewee points out that the implementation of marketing and communication in BIM could also take up to ten years (Appendix Interview 6). Within the next ten years, customization will continue and marketing and communication in the construction service industry will become more and more professionalized (Appendix Interview 1, 3). Interviewee 3 believes that the digital interconnectivity will increase massively (Appendix Interview 3). In his vision, the customization will go hand in hand with the use of artificial intelligence in the long-term. Last but not least, client 4 hopes that the decision makers of the submission regulation will realize that the sole dependency on price is not ideal and that other criteria will gain more power within the tender processes again (Appendix Interview 4).

Online Marketing and Communication			Offline Marketing and Communication		
Short-Term	Medium-Term	Long-Term	Short-Term	Medium-Term	Long-Term
- No Changes - E-newsletter	- BIM - Big Data - Customization	- BIM - Customization - Artificial Intelligence	- No Changes - Relationship Marketing - Events - General decrease of Marketing	- Replacement of Marketing with Lawyers - Customization	

Table 13: Overview of marketing and communication development according to clients

4.3.3 Allocation of Marketing and Communication Budget

It turned out that imagining the development of their suppliers marketing and communication budgets was not a simple task for the interviewed clients. While two clients expressed the opinion that it is really depending on the size and organization of a company, a few opinions regarding future allocation of the marketing and communication budget were obtained (Appendix Interview 2, 3).

Consequently with his earlier expressions about big data and customization as future development in marketing and communication, interviewee 1 suggests that the budget for the implementation and advancement of these instruments needs to be enlarged (Appendix Interview 1). Moreover, another client points out that the extensive product and service information including technical details are

often missing in today's marketing and communication (Appendix Interview 6). Therefore more budget and attention is needed for extensive technical specifications.

Due to the fact that semi-governmental companies and public authorities must strictly comply with the relevant submission regulations, marketing and communication activities are not perceived as being effective (Appendix Interview 4, 5). Therefore, these clients are suggesting to reduce the marketing and communication budgets in the construction service industry in general. The saved resources should then be invested in the quality of accomplishing projects for clients (Appendix Interview 4). To conclude, the clients are fairly sceptical about the overall importance of marketing and communication.

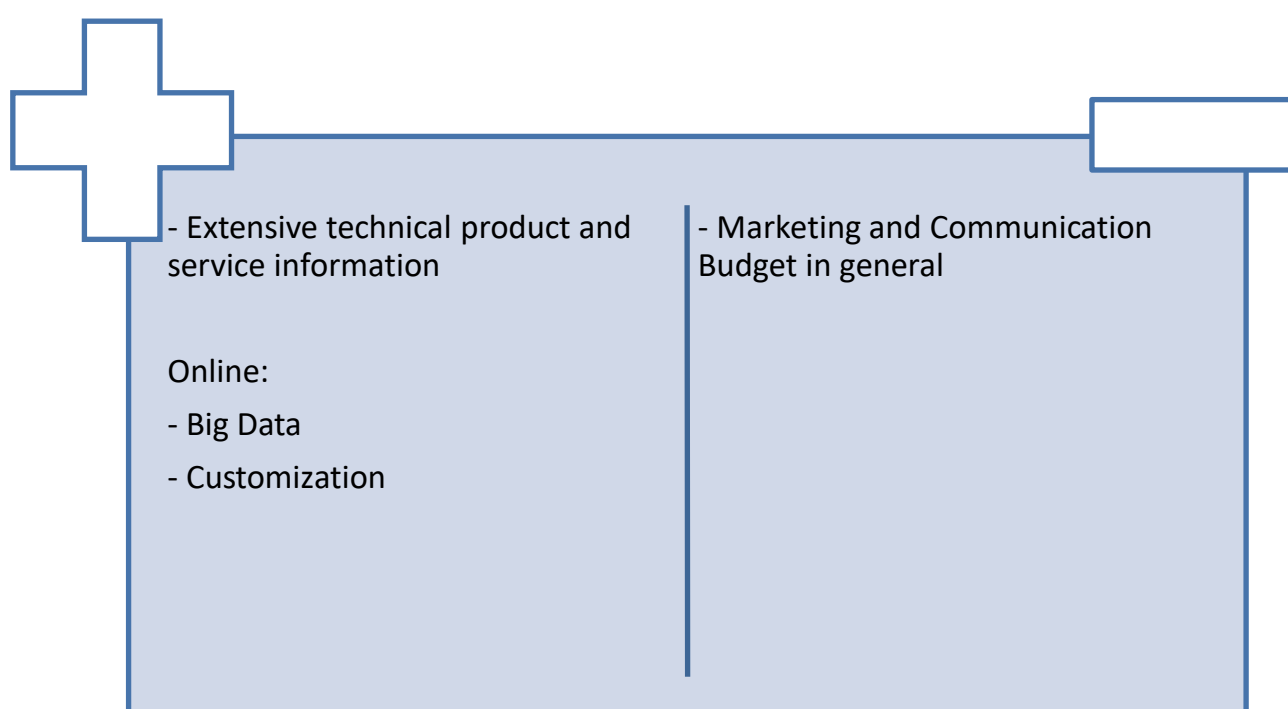


Table 14: Future budget allocation according to clients

4.3.4 Business Performance

Client 2 hints upon a permanent issue in the field of marketing and communication. He explains that it would be a “balancing act” to find the right amount of interaction with the clients (Appendix Interview 2, L. 35). On the one hand clients should not be spammed with irrelevant information, on the other hand they should not miss out on sharing relevant information with their target groups. According to another interviewee, the aim should be that the clients receive short E-newsletters with teasers for relevant information that he or she is willing to read deeper for more information regarding the topic (Appendix Interview 3). In the jungle of suppliers, it would be helpful to be present on an industry

platform with relevant information about competences, expertise and accomplished projects (Appendix Interview 6).

Beside the above mentioned, the clients are convinced that the personal relationships are of key importance and have a direct effect on the business performance (Appendix Interview 1, 4). Interviewee 1 explains that individual persons with truly specialized knowledge, so called key-persons, are crucial for receiving orders (Appendix Interview 1). In order to attract the key-persons, the company should aim to be the best possible employer. Interviewee 1 clarifies that once a company has successfully attracted such key-persons to their company, it pays off due to the fact that for some orders costs don't play a role anymore since the one specialist is indispensable for the project. Hence, the customers too recognized the need for employer branding in the construction service industry in order to be successful.

4.3.5 Acquisition and Tender Processes

The clients are, compared to the experts in subchapter 4.2.5, directly involved in the acquisition and tender processes for projects in the construction service industry. Obviously, they are the ones assigning the orders to the suppliers. However, most of them are not responsible for making the rules which impose how the projects must be assigned. Since no private company was willing to participate in this research, all interviewed clients of the sample are semi-governmental or governmental organizations, which have to act strictly according to the submission regulations (Appendix Interview 1-6). In Switzerland, this is regulated on a cantonal level and specifies with which method the projects have to be assigned according to their value. Small projects can be assigned directly, for medium sized projects an invitation process is required and for large projects a (international) tender process has to be set up. Moreover, it specifies that the price is the number one criteria for the assignment of projects (Appendix Interview 4).

It seems like there is not much room for marketing and communication within these strict regulations. However, interviewee 4 points out that being known and in a constant dialog with the relevant panels and employees of potential clients is essential in order to get considered in the direct assignments and invitation processes (Appendix Interview 4). In reverse, this can be interpreted that investing in marketing and communication for large projects is irrelevant and that all the more should be invested in the direction of smaller project since it can still play a major role in attracting projects of this size.

When asking the clients how the acquisition and tender processes could evolve in the future, the received opinion is mostly close to not at all (Appendix Interview 2, 3, 5, 6). Interviewee 4 expresses his concerns about the current regulation that focuses on price because it results in unsatisfying quality (Appendix Interview 4). He continues that semi-governmental companies cannot influence

the regulations and that he hopes that there will be changes in the long run. A potential minor development that could change the acquisition processes is that skype meetings might be used more frequently in order to save recourses (Appendix Interview 3). In addition, interviewee 1 sees an opportunity in internet based auctions, which could increase the efficiency in the invitation and tender processes (Appendix Interview 1). However, he refers simultaneous to the strict regulations that most likely will not allow such practices in the next years.

4.4 Cross-Group Data Analysis

The individual data analysis of the three groups of interviewees revealed numerous information but also varying opinions and believes about marketing and communication in the construction service industry in the future. In this cross-group analysis of all interviews, the data of the individual samples are compared and similarities as well as disparities and connections were elaborated.

4.4.1 Development and Current State of Marketing and Communication

Over the last years, the construction service industry increasingly recognized the importance and relevance of marketing and communication (Appendix Interview A, B, E, II, III). Because the industry is trying to catch up in terms of marketing and communication, rather dramatic changes were recently observed (Appendix Interview II). However, the semi-governmental and governmental clients are quite sceptical towards marketing and communication and generally believe that it is not very relevant (Appendix Interview 1, 4, 5). Still, it is noteworthy that clients mostly prefer pull instruments over push instruments (Appendix Interview 2, 3). With the recognition of its importance, the resources for marketing and communication grew in the past and it became more and more professionalized (Appendix Interview A, B, E). Yet, the majority of companies in the industry have very limited resources or were even forced to save costs recently (Appendix Interview B, I, III).

Marketing and Communication Strategy

For the clients, personal relationships and contacts within the industry are the most important (Appendix Interview 1, 2, 4, 5, 6). Experts observed that this form of marketing was nearly the sole strategy in the past (Appendix Interview V). All companies and also experts mentioned branding as a current marketing and communication strategy (Appendix Interview A-G, II). However, employer branding was just mentioned by experts as a current strategy (Appendix Interview II, IV). Further strategies stated by company representatives include internal communication and market research (Appendix Interview B, E, G). Another notable finding is that several companies stated that they do not have a clear marketing and communication strategy (Appendix Interview A, B, C, D).

Offline Instruments

In terms of marketing and communication instruments, a heavy change from offline to online took place in the last five years (Appendix Interview A, B, C, F, I, III). Offline instruments such as print (brochures, magazines and reports), events (fairs and client events) and PR are currently in use and still seem to be very important in the industry (Appendix Interview A-G, III, V). In contrast, the interviews with the clients revealed that many of these instruments are too broad and contain too much irrelevant information which is the reason why recipients often ignore it (Appendix Interview 2). Clients are appreciating relevant information with facts about specific services, specialists and materials including technical specifications (Appendix Interview 1, 2). One way to reach the target group is with the help of PR, in particular in special interest magazines (Appendix Interview 5, 6). The analysis shows that clients often prefer pull instruments such as the website over push instruments such as brochures or E-newsletters (Appendix Interview 2, 3).

Online Instruments

As already mentioned, there is a shift towards online marketing and communication. All companies are using websites and some of the sites are starting to get more advanced and attractive for the target groups (Appendix Interview A-G, I, II). SEO is not used in the industry today (Appendix Interview F). The use of E-newsletters is debatable: while company C stated that a client survey showed that there is no need for E-newsletters, company A is convinced that it is a relevant instrument (Appendix Interview A, C). With the emerging thought leadership and content marketing, blogs and social media are becoming increasingly popular (Appendix Interview A, B, C, E, F, I-V). However, companies often use social media solely for recruiting nowadays, which is the reason why LinkedIn is the most mentioned platform (Appendix Interview A, B, C, E, F, I, III, V). On an internal perspective, online instruments such as intranet or internal E-newsletters became the main instruments for internal communication (Appendix Interview E, F). The research shows that the companies see great potential in the (potentially cost effective) online instruments (Appendix Interview B, I). However, many have difficulties to implement them successfully due to ad-hoc online strategies or limited resources (Appendix Interview D, F, III).

To conclude, marketing and communication changed significantly in the recent years. A shift towards online marketing and communication was and is still taking place. However, a disparity can be anticipated between the needs that clients expressed and the current marketing and communication according to company representatives and experts.

4.4.2 Marketing and Communication in the Future

Having described the current situation in the previous subchapter, the interviewees' opinions on the future of marketing and communication in the construction service industry is elaborated in this subchapter.

Short-term Developments

Since the industry is very passive, both company representatives as well as clients are not expecting large changes within the next twelve months (Appendix Interview E, F, 1, 2, 6). Of course, there will be still a need for both online and offline marketing and communication (Appendix Interview III). Experts clearly see the changes within the online instruments (Appendix Interview I, III). Websites will develop further, including responsive design, SEO and webinars (Appendix Interview I, II, III, VI). Moreover, customized content and marketing automation might start to develop in the construction service industry too within the next year (Appendix Interview I, II).

The clients as well as the company representatives share the general opinion that the increase of online instruments is likely to continue (Appendix Interview B, D, 3). Social media for external and intranets for internal communication will be used more often in the future (Appendix Interview B, D, E, F). Company B is planning to start SEA-campaigns (search engine advertising) in the next year (Appendix Interview B). However, there also is a critical voice towards the progress of online marketing and communication: "everyone tells these days that online is king. The question for me is if it is also king for the clients" (Appendix Interview A, L. 61-62). Nevertheless, the increased use of video and other visual content is a broadly shared believe (Appendix Interview A, B, C, E, II). The opinions on the short-term development of offline instruments are again varying. Clients, for example forecast that relationship marketing will remain important (Appendix Interview 2, 5). Companies might increase their PR activities (Appendix Interview D). According to an expert, branding will keep being a topic in the industry (Appendix Interview V). However, companies really need to figure out their core competences first and get to know how to articulate its relevance. Company F is planning to implement a sustainable reporting in the upcoming year while interviewee G expects that an increase of workforce diversity will happen soon (Appendix Interview F, G).

Medium-term Developments

This mix of employees in the marketing and communication teams will be even more important in the medium-term (Appendix Interview G). Interviewee V pointed out another relevant consideration regarding employees and in particular decision makers (Appendix Interview V). The expert said that, due to retirement, a massive generational transition will take place and that within the next five years, a large number of decision makers in the construction service industry but also on the client side will

be part of the internet approved generation X. Under this transition in mind, the predicted rise of thought leadership and content marketing makes truly sense (Appendix Interview C, III, IV, V). The interview showed that the increased use of online instruments will continue and might already become as or even more important than offline marketing and communication in the medium-term (Appendix Interview D, III, V). Only one expert presumed that artificial intelligence, virtual reality and 3D-viewing will influence marketing and communication significantly in the medium-term (Appendix Interview II). However, when asked how these technologies could be implemented, the interviewee was stumped for a clear answer. Nevertheless, company representatives think as well that artificial intelligence will become a tool in marketing and communication eventually (Appendix Interview D, G). Other developments were mentioned more often such as the extensive data collection and analysis (Appendix Interview A, B, F, G, 1, 3). Big data is also the basis for customization of marketing and communication content - the number one medium-term trend according to the sample (Appendix Interview A, B, F, G, I, 1, 3). It can be expected that the target groups, or even specific customers, will receive personalized and relevant information in the future.

Besides this, company representatives foreseen that the emotionalization of their brands will be crucial since it is one way to differentiate within this very technical industry (Appendix Interview E). On top of that, the internal knowledge management will be of key importance, which closes the circle again to the emerging thought leadership (Appendix Interview B, F). Of course, the ongoing digitalization of the construction service industry will have a major influence on the marketing and communication too (Appendix Interview E, G, 6). While it is expected that BIM will deeply change the industry, it offers new opportunities for marketing and communication as well.

Long-term Developments

Predicting the potential development of marketing and communication in the construction service industry in the long-term is difficult, since the uncertain technological progress will have a significant effect on it (Appendix Interview G, I, IV, V). Generally speaking, the digitalization of marketing and communication will continue (Appendix Interview C, E, F, 3). The use of artificial intelligence will increase in the next ten years (Appendix Interview I, 3). Moreover, big data and the customization of marketing and communication will advance further (Appendix Interview A, E, I, 1, 3). Regarding the importance of online and offline marketing and communication in the long-term, the opinions are quite contrary. There are experts and company representatives which believe that offline instruments will have disappeared within the next ten years (Appendix Interview E, III). On the other side, company F and expert I believe that both will still be relevant in the construction service industry (Appendix Interview F, I).

Branding as well as relationships – in howsoever form they will be maintained – will continue to be important (Appendix Interview A, G). If the role of marketing and communication in the construction service industry will gain more power and recognition in the long-term is debatable. Expert II forecasts an increase (Appendix Interview II). However, client 4 predicts a darker future for marketing and communication in the industry: He believes that it will rather decrease and that its employees might slowly be replaced with lawyers in order to handle the increasing procurement complaints due to the currently solely on price focusing submission regulations (Appendix Interview 4).

To summarize, new technologies and online instruments will greatly change marketing and communication in the construction service industry in the future. Because it is a relatively passive industry, there will not be as many developments in the short-term. In the mind- and long-term, customization will be of key importance. However, the data analysis shows that there is a big range of positions and opinions within and across the three groups of interviewees, as table 15 shows on the next page.

	Short-Term	Medium-Term	Long-Term
Online	Website		
	SEO / SEA		
	Video / Visual Content		
	Webinar		
	Customization / Relevance of Content		
	Marketing Automation		
	Thought leadership / Content Marketing		
	Big Data		
	Artificial Intelligence		
	Virtual Reality / 3D-Viewing / Industry 4.0		
	Digitalization of the Construction Service Industry / BIM		
Offline	Social Media		
	Intranet		
	PR		
	Relationship Marketing		
	Sustainable Reporting		
	Branding		
	Emotionalization		
	Hybrid Workforces		
	Knowledge Management		
	Customization / Relevance		
General	<ul style="list-style-type: none"> - Passive Industry: No large changes - General increase of Online Instruments 	<ul style="list-style-type: none"> - Generational Transition of Decision Makers - Further increase of Online Instruments 	<ul style="list-style-type: none"> - Long-term predictions are difficult - Contrary opinions if offline will be obsolete or equally important than online

Table 15: Overview of marketing and communication development

4.4.3 Allocation of Marketing and Communication Budget

Current Marketing and Communication Budget

It is interesting to see how little most companies in the construction service industry invest in marketing and communication. While not all interviewees were willing or able to share the current budgets in the industry, others actually stated numbers (Appendix Interview C, E, I, II). One expert stated that other companies she worked with in the professional service industry are investing as little as 3% of their annual turnover in marketing and communication (Appendix Interview II). One globally active company of the research sample actually invests 5% (Appendix Interview G). However, the three other companies which shared their budget amounts openly are just investing between 0.37% and 0.6% of their annual turnover in marketing and communication (Appendix Interview A, B, D). But these numbers are not as hard facts as it seems. Since in the three low percentages the costs of marketing and communication employees are not included, they could be significantly higher in reality.

Interviewee D mentioned an important point: Companies in the construction service industry need to realize that marketing and communication is an investment rather than an expense (Appendix Interview D). Nevertheless, it seems that the decision makers are unwilling to invest more in marketing and communication. Moreover, companies are expecting more results for the same amount of budget due to the perception that online marketing and communication is less resource depending (Appendix Interview I). The employees often invest more time towards online instruments (Appendix Interview B, E). However, the budget is still highly in favor of offline instruments, which account for around 80 – 90% of it (Appendix Interview A, B, F). Print, events and marketing support are the three main positions in the current marketing and communication budgets (Appendix Interview A, D, G). In addition, according to several experts and clients, the amount as well as allocation of the marketing and communication budgets are highly dependent on the company itself (Appendix Interview II, III, 2, 3).

Future Increase of Marketing and Communication Budget

Following the elaboration of the current state of marketing and communication budgets in the construction service industry, the focus is now on how it will develop according to the visions of the interviewees. Both experts and company representatives are convinced that the budget should be overall increased in the future (Appendix Interview C, D, II, III). Many experts but one company representatives as well mentioned that a stronger emphasis of the marketing and communication budget on the aspect of strategic marketing and communication planning and the analysis of trends and their potential is important in the future (Appendix Interview C, III, IV, V). There is also a consent that the budget for online marketing and communication instruments has to be increased (Appendix

Interview C, F, I-V). This includes advanced websites, SEO, social media, thought leadership, content marketing, analytics and webinars. Budgets for marketing automation and big data should be increased too (Appendix Interview V, 1). One interviewee forecasts that in ten years, the budgets are approximately equally split between offline and online (Appendix Interview F). Clients and company representatives both identified the need to budget resources for the implementation of the customization in marketing and communication (Appendix Interview F, 1).

Relationship marketing is still viewed as essential in the future and various interviewees believe that the budget for managing relationships with the key client have to be increased (Appendix Interview E, F, I). Individual experts are also in favor of increasing budgets for branding and educational events (Appendix Interview I, II). Clients, on the other hand, are expecting companies to invest more into extensive product and service information including specific technical details (Appendix Interview 6). Company representatives see potential in raising the budgets – apart from the already mentioned points above - for internal communication, which has an effect on employer branding and empowerment, and for being more present at the actual construction sites (Appendix Interview A, F).

Future Decrease of Marketing and Communication Budget

In general, most interviewees do not see as much room for decreasing marketing and communication budgets as increasing them. However, most of the interviewed clients have a different opinion. Due to the fact that semi-governmental and governmental organizations must strictly comply with the submission regulations, marketing and communication activities are not perceived as being very effective (Appendix Interview 4, 5). Therefore, they suggest to reduce the budgets in general for marketing and communication. It is important that existing and common instruments are questioned (Appendix Interview III). Furthermore, the amount that can be saved by cancelling all goodwill and rip-off advertising, sponsoring and media requests should not be underestimated (Appendix Interview B, I). While interviewee A is generally skeptical about the effectiveness of advertisings, both offline and online, interviewee E is uncertain if the use of social media is useful in the industry (Appendix Interview A, E). Another point to reduce the budget are expensive tools for marketing and communication (Appendix Interview B, G). The company representatives believe that standard software solutions offer a better cost-benefit ratio compared to pricy customizable software. With the increasing importance of online marketing and communication as predicted in chapter 4.4.2, reducing the budgets for print and other offline instruments such as trade shows and relationship building are advisable (Appendix Interview F, III, V).



Table 16: Future budget allocation

To conclude, the marketing and communication budgets are rather low and clearly in favor of offline instruments today. In the future, at least the second this is likely to change. However, the clients' perception of how the marketing and communication budget should be developed and allocated differs from the view of company representatives and experts.

4.4.4 Business Performance

The ultimate aim of a company in every industry is not to improve marketing and communication but to improve its business performance at the bottom line. Therefore, the opinions of the different interviewee groups regarding the question how the business performance of construction service companies can be improved with the help of marketing and communication are elaborated here. The most important point to mention is the need to measure indicators over a period of time in order to be able to compare the results and to receive meaningful numbers (Appendix Interview G, I). This can be done with different tools. One way is to depend on industry relevant secondary research, media monitoring and primary research such as client surveys (Appendix Interview B, G). Another way is to use the numerous measurement options that were created with the increasing digitalization (Appendix Interview B, I). However, since it is not possible to measure a direct conversion rate as it is in other industries, identifying the relevant indicators and not relying on pseudo success measurements is of key importance (Appendix Interview B, I). One expert mentioned an example where a construction service company started a blog which then actually attracted around 10% of the total website traffic and generated up to 20 solid business requests per week (Appendix Interview V). This

illustrates that thought leadership and content marketing can be implemented successfully as well as that the measurement before and after the implementation is crucial to determine its effect.

As one client explained, it is always a “balancing act” to find the right amount of interaction with the clients (Appendix Interview 2, L. 35). On the one hand, spamming with irrelevant information is contra productive. On the other hand, opportunities for sharing relevant information with the target groups should not be missed out. Events are often a good opportunity to present a company’s competences and create a platform to maintain personal relationships and talk about new businesses (Appendix Interview A, D). Clients agree on the point, that personal relationships are crucial in the industry and have a direct effect on the business performance (Appendix Interview 1, 4). Having the best employees is essential in this knowledge driven industry (Appendix Interview A, II, 1). Once a company successfully attracted individual persons with truly specialized knowledge – so called key-persons – many projects can be acquired where costs play a subordinately role because the knowledge of the expert is simply needed, as a client explains (Appendix Interview 1). However, employer branding is not done successfully with fancy ads. In fact, companies should aim to be the best possible employer in the industry, which should include transparent internal communication, empowerment and offering the employees the opportunity to apply their talents at interesting projects (Appendix Interview A, II, III, 1). Interviewee F shared that the sustainable management certification, which they obtain, is another success story in terms of improving the business performance (Appendix Interview F). Because of the increasing number of clients that request such a certification, it is a well performing tool for differentiation.

There are several best practice approaches as discussed above. A valid measurement is as important as attracting key-persons as employees. However, one company representative literally stated that they would “not get a new project because they have a good marketing” (Appendix Interview D, L. 109-110). This might be true to a certain extent but it also undermines the importance of marketing and communication in the construction service industry as some of the above examples as well as the next subchapter shows.

4.4.5 Acquisition and Tender Processes

Acquiring new clients and projects is obviously of key importance for the business performance of every company. In the construction service industry, these processes are often heavily regulated. While large private companies frequently have own rules for assigning orders, semi-governmental and governmental organizations have to act strictly according to the submission regulations (Appendix Interview 1-6). In Switzerland, this is regulated on a cantonal level and specifies with which method the projects have to be assigned according to their value. Small projects can be assigned

directly, for medium sized projects is an invitation process required and for large project, a (international) tender process has to be set up. Attracting new clients and orders is typically part of marketing and communication. However most of the interviewed companies are not at all involved in these processes or act as a simple support function (Appendix Interview B, D, E, F). However, two other heads of marketing and communication recognize the bids and proposals as a main responsibility of them (Appendix Interview C, G).

Current Acquisition and Tender Process

Tender processes became very transparent and it is evidently that prices are the number one criteria for the assignment of projects (Appendix Interview A, B, C, D, 4). And these prices are under pressure. Therefore, it is questionable how relevant marketing and communication is in these processes. Interviewee A recommends to attract as many projects which are assigned directly (Appendix Interview A). However, large companies have to propose for large projects too, which are assigned based on tender and invitation processes (Appendix Interview A, E, F). Similar to that, client 4 pointed out that it is important that companies are known by the clients in order to be considered in the direct assignments and invitation processes (Appendix Interview 4). For gaining small and medium size orders, personal relationships are essential as well (Appendix Interview I, 4). In tender processes, it is very difficult to differentiate oneself because of the strict regulations. The interview showed that the only way to stand out seems to have individual and attractive proposal documentations (Appendix Interview E, F, II). Since proposing on these tender processes is quite expensive due to the extensive preparation and documentation, companies should make sure that they only propose if they fulfill the criteria (Appendix Interview III).

Future Development of Acquisition and Tender Process

The reaction on how the submission regulations and therefore these processes will change in the future is made explicit across all groups of interviewees: most likely not at all (Appendix Interview G, III, 2, 3, 5, 6). It is expected that the price will stay the most important criteria, which is actually really concerning companies as well as clients since it results in unsatisfying quality (Appendix Interview C, 4). In addition, the administrative efforts and the extent of required documentation will probably increase further (Appendix Interview C, G, I, V). Having this in mind and assuming that the submission regulation will not change much, the efficiency of these processes will be of key importance in the future (Appendix Interview C, F, G, I, V, 4). Methods to increase the efficiency for both clients and companies (acquires and bidders) such as internet based auctions might be interesting for invitation processes or even tender processes, but the strict regulation will probably not allow such

practices in the next years (Appendix Interview 1). However, the continuous digitalization and industry changing BIM have the potential to permanently change the acquisition and tender processes too in the future (Appendix Interview F).

To conclude, due to strict submission regulations, which are defined by external policy makers and are unlikely to change in the near future, the assignment of orders is very transparent and clearly depending on the proposals prices. Moreover, all groups of interviewees broadly agree that they don't expect any changes regarding the submission regulations, even though some would clearly appreciate certain adaptations.

5. Findings and Discussion

Addressing the research objectives and answering the research questions will be the main purpose of this findings and discussion chapter. Furthermore, the findings of the research will be complemented with the evidence from the literature in this section. The structure is straightforward: The three research objectives respectively the seven research sub-questions will be addressed and answered in succession. Subsequently, the grand-tour research question will be attempted to be answered at the end of the chapter. Due to the fact that the findings are based on the data analysis, some repetition with the previous chapter cannot be avoided. While all data was referenced to the according interview in the data analysis chapter, the source of the previously analysed data is not cited again in the findings and discussion chapter because these are no new inputs. Since this master thesis is an explorative study, the comparison of data to existing literature is not as extensive.

5.1 Research Objective 1: Development

The first research objective was to analyse existing and discover the future marketing and communication context in the constructive service industry.

The construction service industry is a traditional industry. Nevertheless, both experts and company representatives agree that the importance of marketing and communication was recognized more and more within the last years. Since the industry is trying to catch up in terms of marketing and communication, fairly dramatically changes were observed recently. However, clients are questioning the relevance of marketing and communication in the industry openly. The diverse clients' expectations show that a "one-size-fits-all" approach is not suitable solution for future marketing and communication in the construction service industry. Generally speaking, there was and is an ongoing shift from offline (mainly relationship marketing) to online. But compared to other industries, offline instruments are still very important. While the current use of instruments is obvious, several companies stated or implied that they do not have a clear marketing and communication strategy. This corresponds with the results of the CMA survey, where one third of the participated firms neither developed an annual nor a strategic marketing plan (CMAB, 2013). Furthermore, a disparity of what clients expressed to expect from marketing and communication and the current marketing and communication according to company representatives and experts can be anticipated. Another relevant topic in the construction service industry are the submission regulations, which heavily regulate the assignment of projects. Depending on the value of the project, a tender process, an invitation process or a direct assignment is required. The interviews revealed that the clear focus on the price-criteria is not throughout satisfying for both companies and clients. However, this price orientation is not a new phenomenon since the industry was facing this challenge already two decades ago (Marr,

Sherrard and Prendergast, 1996). Moreover, the research exposed that in most companies, marketing and communication is not responsible for the acquisition. Many are not involved at all or acting in solely a pure supportive role.

1a) How will the marketing and communication context develop in the short-term?

The sample shares the view that no large changes are expected within the next twelve months since it is a passive industry. This might explain why the short-term developments are focusing on instruments rather than strategies. The shift towards online marketing and communication will continue. In accordance to the latest CMA survey, this research shows that the further development of the website will have the highest priority in the short-term (CMAB, 2017). Other short-term online instruments developments might include SEO, SEA, social media, webinars and the intranet. However, on this level of detail, there is a greater variation of opinions. Moreover, one company representative and some of the clients did not share the general enthusiasm for online marketing and communication. There is broad agreement that the use of videos and other visual content will largely increase in the next year. Various existing studies already came to the same conclusion, also because digitally planned projects based on BIM offers new visualization opportunities (Bouchlaghem et al., 2004; Cory, 2015). Compared to online instruments, developments of offline instruments were stated less often. Some interviewees, which are in fact all company representatives, plead for more PR, branding and relationship marketing in the upcoming year. This is again in accordance with the CMA survey, where the participants voted both PR and branding in the top three traditional tactics they will increase (CMAB, 2017). In addition, one company mentioned a specific development that they are going to implement a sustainable reporting, partially due to marketing and communication reasons.

1b) How will the marketing and communication context develop in the medium-term?

The most important development according to the interviews is the customization of marketing and communication, which was mentioned throughout all three groups of interviewees. This is a clear progression compared to the current “one-size-fits-all” approach, which is applied today. As a base for the customization of content, the usage of big data will be necessary. But there are other technical progresses as well, which will have an effect on marketing and communication in the construction service industry. The majority of experts and some company representatives see a great potential in thought leadership and content marketing, which is another key development within the next five years. Schultz and Doerr agree that thought leadership is crucial for professional service marketing (2009). Some interviewees also mentioned artificial intelligence, virtual reality and marketing automation. However, once they were asked for specific information on how this will be implemented, it

turned out that there is not much knowledge behind it yet. But the digitalization and technical progress is not limited to marketing and communication. The whole construction service industry is facing a massive transformation in the future. And as Hoffmann et al. stated, it is important that companies are constantly adapting to the development in order to secure their prosperity (2006). It is expected that BIM will fundamentally revolutionize the industry, which will again have effects on the future marketing and communication context.

The opinion that knowledge management within the companies will be of key importance in the future is in accordance with thought leadership. The emotionalization of the brand is anticipated by company representatives as another medium-term development, which should help to differentiate within this technical industry. This view is supported by Kuhn and Zajontz (2011). However, it is questionable if clients agree since they stated that they expect more specific and detailed technical descriptions and extensive information. To a similar finding came other researchers, who pointed out that the B2B audience is looking for more functional appeals (Swani, Brown and Milne, 2014; Turley and Kelly, 1997). Moreover, it is expected that there will be developments based on generational changes, which was also a major finding that Mayfield and Keating forecasted (2003). First of all, the workforce will be more diverse and the types employments more hybrid. And secondly, due to an enormous number of decision makers that will retire in the next five years, many key positions will be staffed with decision makers from generation X. To consider the mindset of this internet affine generation is of key importance for the further development of marketing and communication, which leads back again to the web based thought leadership trend and content marketing.

1c) How will the marketing and communication context develop in the long-term?

As expected, it turned out that forecasting the potential development of marketing and communication in the long-term is very difficult. It can be assumed that the digitalization of the construction service industry will continue and that online marketing and communication will further increase in the next ten years. However, regarding the question if offline marketing and communication will still be important in the long-term, the opinions are very contrary within and across the groups of interviewees. The trend of the increased use of big data and the resulting customization, as mentioned in the medium-term, is likely to continue in the long-term too, as various participants believe. Furthermore, artificial intelligence might also be used extensively in the long-term. In addition, company representatives think that branding as well as relationship marketing – in howsoever form they will be maintained – will continue to be important.

5.2 Research Objective 2: Importance

The second research objective was to determine the importance of marketing and communication in the construction service industry and to identify strategies to improve its effectiveness.

The study shows that the opinion regarding the importance of marketing and communication in the construction service industry are very different. It was predictable that company representatives as well as experts are clearly in favour of marketing and communication since it is basically their profession. However, there was also one head of marketing and communication of a construction service company which literally stated that they “do not get a new project because they have a good marketing” (Appendix Interview D, L. 109-110). Experts and company representatives explained that the limited power of marketing and communication within the companies is challenging, which is in line with the literature (McDonald, 2016). On the other hand, many clients agreed that marketing and communication is close to being irrelevant due to the fact that they must strictly comply with the submission regulations. These regulations inhibit the effect of marketing and communication and simultaneously limit the applicable strategies and instruments. Because of the mandatory and transparent tender processes, for which every qualified company can propose in any case, marketing and communication is not as effective. This is a significant difference to most of the other researched B2B service marketing industries (Kuhn and Zajontz, 2011).

However, one client interviewee pointed out the importance for companies of being known as competent suppliers in order to be considered in the invitation processes and direct project assignments. In reverse, this can be interpreted that investing in marketing and communication of larger projects is irrelevant and that all the more should be invested in the direction of smaller projects since its effect of attracting projects of this size is higher under the above described circumstances. The contrary opinions are visible again that one client imagines that marketing and communication might slowly be replaced by lawyers to handle the increasing procurement complaints based on the current very on price depending submission regulations while company representatives and experts predict and hope for an increase of importance and budgets for marketing and communication. Before answering the next two research questions, one more general finding regarding the importance and potential positive effect of marketing and communication on the business performance has to be considered: Even though no direct conversion rate can be measured in the construction service industry, effects towards the business performance can be measured. However, a valid measurement requires measurements before and after a certain activity or generally over a period of time.

2a) How can the business performance of construction service companies be increased by existing or future offline marketing and communication?

Attracting the best employees is essential in this knowledge driven industry find interviewees and the literature likewise (Mayfield and Keating, 2003). Having true experts – so called key-persons – results in receiving projects that are less depending on the price. However, attracting those talents implies to have more than some set employer branding campaigns. This is in line with Pomirleanu, Mariadoss and Chennamaneni who pointed out that empowerment, service training and internal marketing and communication is essential (2015). Furthermore, clients are convinced that relationships are crucial for a positive business performance. This again corresponds with the literature (Grönroos, 2004; Filiatrault and Lapierre, 1997; Jahn and Kunz, 2012). Moreover, it is in line with the above described need to be known by clients in order to be considered for non-tender project assignments. Industry related events are a good opportunity in order to present ones competences and foster the relationships. Besides this, an adequate research (primary as well as secondary research) is necessary to understand the needs of the clients as well as the effect of marketing and communication instruments, which is again the base for successful marketing and communication. Besides this, sustainability and other certifications are increasingly important in order to be a qualified supplier. This is in line with the findings of Lu and Zhang, who conclude their research that AEC companies understanding and applying corporate sustainability benefit form new business opportunities (2016).

2b) How can the business performance of construction service companies be increased by existing or future online marketing and communication?

According to the participating experts and company representatives as well, thought leadership and content marketing is becoming a successful strategy to increase the business performance. One positive example is where a company increased their website traffic with a blog, which lead to around twenty additional business requests per week, which are based on the visitors of the blog. There is no doubt that online marketing is and will continue to increase. But it seems that the effect on the business performance is uncertain. Apart from the one example above no concrete best practice cases were mentioned. Moreover, an evaluation which one company did with selected clients revealed that social media and E-newsletters are not (yet) appreciated by the clients. Besides this, multiple interviewees expressed their concerns that many companies base their evaluation on so called pseudo measurements which are widely available with the digitalization.

5.3 Research Objective 3: Budget

The third research objective was to examine how to allocate the marketing and communication budget in the future.

Before answering the research questions on the future allocation of the marketing and communication budget, the current budget situation is shortly described. It is interesting to see how little most companies in the construction service industry invest in marketing and communication compared to B2B service companies in general, which in average spend 12% of their turnover on marketing and communication (CMO Survey, 2017). Even though the budgets grew in the last years, they are still quite low. The Swiss Association of Consulting Engineers estimates the costs of marketing and communication of 2% of the total costs of a construction service company (Braune, 2012). In this research, participating companies invest between 0.4 - 5% of their turnover in marketing and communication, with an accumulation at around 0.5%. However, it is difficult to measure and compare the budgets since there are differences if the costs of employees are included and if the budgets are on group or subsidiary level.

Currently, the budget is allocated strongly in favour of offline marketing and communication. Just around 10 – 20% is invested in online marketing and communication. The largest position on the budgets are normally print, events and acquisition support. One important finding, which corresponds with the literature, is that decision makers in the construction service industry need to realize that marketing and communication is an investment rather than an expense (Morgan and Rego, 2009).

3a) Where is it recommended to increase marketing and communication budgets?

In the latest CMA survey, 96% of the participants stated that they are planning to increase their marketing and communication budgets in 2017 (CMAB, 2017). In this research as well, numerous company representatives as well as experts explained that it has to be increased overall in the future. First of all, these two groups of interviewees agreed that more resources should be allocated in strategic planning and analysis of marketing and communication. Furthermore, they explain that the budget for online marketing and communication should be increased in favor of the in research objective 1 explained developments. This includes - among others - website, thought leadership and content marketing, which is only partially in line with the literature (CMAB, 2017). As already explained, it is debatable if offline is still important in the long-term. However, the study shows that a massive shift of budget allocation towards online marketing and communication is expected in the future. Furthermore, there is a need for resources for the customization of marketing and communication. While the already mentioned points mostly came from experts and company representatives, clients stated that they would appreciate if companies would invest more in specific and detailed technical descriptions and extensive information.

3b) Where is it recommended to decrease marketing and communication budgets?

Some general areas to save resources are that existing strategies and instruments have to be questioned regularly in order to assess their reasons for existence. Moreover, goodwill and so called rip-off advertisements and sponsoring have to be cancelled rigorously. Besides this, there were some individual opinions in reducing budgets for advertisement in general, social media and E-newsletters. However, compared to experts and company representatives who are clearly in favor of increasing the marketing and communication budgets, there are some clients that suggest to reduce the budgets in general. In their opinion, marketing and communication is not as relevant due to the regulated submission processes.

5.4 Grand Tour Research Question

There is not a simple and conclusive answer for the grand tour research question. Due to the fact that this research project is partially going in the direction of futurology, it is overall questionable how accurate the above presented predictions are and how strict they will become reality. Nevertheless, this study generated many well elaborated anticipations how the marketing and communication context will develop in the Swiss and international construction service industry. The following four points will be crucial in the future development:

1. The shift towards online marketing and communication will continue.
2. New technologies will have a major impact on the development.
3. Knowledge management and employer branding for talented experts will become more important as well as thought leadership.
4. While branding and relationships stay important, customization and relevant content will be increasingly important in the future.
5. Strict submission regulations continue to affect marketing and communication.

The above elaborated findings actually correspond with the general conceptual framework, which was developed in chapter 2.4. Therefore, no adaptations are necessary. Solely the relation of marketing and communication in the construction service industry to the acquisition might not be given in all companies.

Another notable overall finding is that there are often a visible differences between clients' opinions and the opinions of experts and company representatives. It is questionable, how much this can be reduced to their roles and education. However, it seems that there is a gap between what marketers think clients need and what needs the clients actually express.

6. Conclusion and Further Research

The most significant and outstanding findings are merged and presented in the following subchapter. The research objective and questions, however, were answered in-depth in the previous findings and discussion chapter. In the subsequent subchapters, implications for theory and practice are described as well as topics for further research suggested.

6.1 Conclusion

The importance of marketing and communication in the construction service industry remains debatable. The skepticism is - among other reasons – based on the strict submission regulations of the industry and that it is impossible to measure a direct conversion rate. This also explains the mostly conservative marketing and communication budgets in the industry. Presuming the relevance of marketing and communication, a number of trends and development potentialities were identified in this study. First of all, it is important that companies in the construction service industry elaborate an explicit marketing and communication strategy, which should be analyzed and updated regularly. Nowadays, marketing and communication is still strongly depending on offline instruments in the construction service industry. In the future, the shift towards online marketing and communication will continue vigorously. Starting with advanced websites and an increasing use of videos and other visual content in the short-term, (web based) thought leadership and content marketing as well as customized marketing and communication are targeted in the medium- to long-term. Receiving relevant, personalized information is a clear progress for clients compared to today's commonly applied "one-size-fits-all" mass marketing and communication approach. The foundation for these developments are spreading new technologies such as artificial intelligence and big data, which will have a major impact on marketing and communication in the construction service industry.

Marketing and communication is forced to further develop due to the upcoming fundamental industry transformation based on the digitalization. Moreover, the foreseen generational transition leads to new decision makers from internet affine generations, who think, work and decide differently. This again clarifies the importance of thought leadership and expert knowledge. Bearing this in mind, attracting and retaining talented experts, and thus employer branding, is of key importance in this knowledge based industry. Even with the upcoming digitalization, the construction service industry is expected to remain a people oriented business, where personal relationships are the base for collaboration and procurements. Moreover, branding will keep its importance. Relationships, being known and having a good reputation is essential for construction service companies in order to be considered when clients assign orders, in particular for small and medium sized projects. Due to the submission regulations, large projects have to be assigned through a tender process, where every

qualified company can propose an offer. In reverse, this means that companies better focus to market their qualification and expertise for small to medium sized projects and orders from private organizations, which are usually assigned directly or with the help of an invitation process.

As described, there are various forthcoming developments anticipated. Nevertheless, the construction service industry is not likely to revolutionize marketing and communication compared to other industries. However, companies need to recognize the right time to adapt to as well as invest into new technologies and apply successful marketing and communication strategies in order to ensure their lasting prosperity.

6.2 Implications for Theory and Practice

The aim of this study was to research the future of marketing and communication in the Swiss and international construction service industry. Its explorative nature as well as the research objectives led to mainly practical implications. Nonetheless, researching marketing and communication in connection to the characteristics of the construction service industry and including upcoming technological opportunities is a valuable contribution to the scientific progress and interesting for an international audience in this specific field and might contribute considerably to academic business research.

The findings of this study are helping responsible people to understand the potential developments of marketing and communication in the construction service industry. Furthermore, it is hoped that this study foster the understanding of the potential of marketing and communication in the industry both today as well as in the future. Decision makers need to realize that marketing and communication is an investment rather than an expense, which will presumably pay off in the long run.

6.3 Further Research

The findings of this thesis might offer potential topics for further research. Due to the explorative research design, there is the opportunity to research and validate the numerous findings to the research objectives as presented in chapter five. Specific suggestions for further research might include the following:

- Comprehensive study with in-depth client interviews with a realistic maximum variation sampling. The aim of that study would be to investigate the exact needs of clients in the construction service industry. The results could be compared to this study, where company representatives and experts were the main source of data while clients acted as complementary data source. Having a research sample that also includes private organizations might clarify the true perception of clients towards marketing and communication in the construction service industry.

- Testing the hypothesis that marketing and communication for larger projects in the construction service industry is less relevant than marketing and communication for small to medium sized projects due to the submission regulations, as it was mentioned in the interviews.
- Examining the differences and similarities of ordinary B2B service marketing in comparison to the B2B / B2G service marketing in industries with submission regulation. Such research could aim for further development of existing B2B and service marketing models in the direction of B2G, including the aspect of regulated procurement.

Furthermore, it might be fruitful to further investigate the following areas of marketing and communication in the construction service industry:

- How BIM will change marketing and communication in the construction service industry.
- If the emotionalization of the brand is helpful in this very technical industry.
- The potential as well as the concrete implementation of upcoming technologies such as artificial intelligence, customization and big data, marketing automation, virtual reality and augmented reality for marketing and communication in the construction service industry.

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List of Abbreviations

AEC	Architecture, Engineering and Construction
AMA	American Marketing Association
B2B	Business-to-Business
B2C	Business-to-Consumer
B2G	Business-to-Government
BFS	Swiss Federal Statistical Office
BIM	Building Information Modelling
CAD	Computed Aided Design
CAQDAS	Computer Assisted Qualitative Data Analysis Software
CEO	Chief Executive Officer
CMA	Construction Marketing Association
CRM	Customer Relationship Management
GTAI	Germany Trade & Invest
HR	Human Resources
ICT	Information and Communication Technology
PR	Public Relations
SEA	Search Engine Advertising
SEM	Search Engine Marketing
SEO	Search Engine Optimization

Appendix

Interview Guidelines

With Company Representatives	With Clients	With Experts
Introduction to research and interview, specify interview language, information about anonymization and audio-recording		
How did your marketing and communication activities/strategies develop within the last 5 years?	As a professional buyer, which kind of marketing and communication activities attracted your attention in the last 5 years?	To what extend did the marketing and communication activities/strategies in the AEC / B2B service industry develop in the last 5 years?
What are your current marketing and communication strategy? What are your current marketing and communication activities? <ul style="list-style-type: none"> - Traditional/offline activities - Online activities <ul style="list-style-type: none"> ▪ Social Media - Current marketing budget (amount) <ul style="list-style-type: none"> ▪ Allocation of budget 	Which kind of marketing and communication do you appreciate? <ul style="list-style-type: none"> - Traditional/offline activities - Online activities <ul style="list-style-type: none"> ▪ Social Media 	What are the current marketing and communication strategies in the AEC / B2B service industry? What are the current marketing and communication activities in the AEC / B2B service industry? <ul style="list-style-type: none"> - Traditional/offline activities - Online activities <ul style="list-style-type: none"> ▪ Social Media - Budgets and allocations
In your opinion, how will the marketing and communication context change in the future? <ul style="list-style-type: none"> - Within the next 12 months - Within the next 5 years - Within the next 10 years 	In your opinion, what marketing and communication activities will be most important in the future? <ul style="list-style-type: none"> - Within the next 12 months - Within the next 5 years - Within the next 10 years 	In your opinion, how will the marketing and communication context change in the future? <ul style="list-style-type: none"> - Within the next 12 months - Within the next 5 years - Within the next 10 years

<p>If you would have the full decision making power, how would the marketing and communication budget be allocated in the future?</p> <ul style="list-style-type: none"> - Where to increase budget? - Where to decrease budget? 	<p>How should decision-makers of your suppliers allocate their marketing and communication budgets and resources to fulfill your needs?</p> <ul style="list-style-type: none"> - Where to increase budget? - Where to decrease budget? 	<p>How should the decision-makers in the AEC / B2B service industry allocate the marketing budgets in the future?</p> <ul style="list-style-type: none"> - Where to increase budget? - Where to decrease budget?
<p>How do you increase the business performance of your company with marketing and communication?</p>	<p>In your opinion, how can companies in the construction service industry increase their business performance with marketing and communication?</p>	<p>In your opinion, how can companies in the AEC / B2B service industry increase their business performance with marketing and communication?</p>
Questions regarding acquisition processes		
<p>How much are you as head of marketing and communication involved in the acquisition processes?</p> <ul style="list-style-type: none"> - Direct orders - Invitation processes - Tender processes 	<p>How does your organization currently assign orders to suppliers?</p> <ul style="list-style-type: none"> - Direct orders - Invitation processes - Tender processes 	<p>How much are you as external consultant involved in the acquisition processes of your clients?</p> <ul style="list-style-type: none"> - Direct orders - Invitation processes - Tender processes
<p>In your opinion, how will the acquisition processes change in the future?</p> <ul style="list-style-type: none"> - Digital revolution - Future decision makers and influencers 	<p>In your opinion, how will the process to assign orders change in the future?</p> <ul style="list-style-type: none"> - Digital revolution - Future decision makers and influencers 	<p>In your opinion, how will the acquisition processes change in the future?</p> <ul style="list-style-type: none"> - Digital revolution - Future decision makers and influencers
Thanking and asking for additional inputs		

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Interview A (Company Representative)

Title: Marketing and Communication Context of the Future

Format: Face to face interview with audio recording

Company: Company A, based in Switzerland, Swiss and international orientation, over 1000 employees

Interviewee: Head of marketing and communication

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 28.02.2016, 17:00, interviewee's office

Duration: 45min

Language: English

1 *How did your marketing and communication strategies and activities evolve in the last five years?*

2 Since I just started to work at company A this year, I have to answer this question as someone who
3 has observed it only. It definitely did grow. The numbers of marketing and communication activities
4 did increase. Many new channels were adopted, for example Social Media and the website which
5 grew more important. It became more certainly professional in terms of visualization of the brand in
6 the last years.

7 *What is your marketing and communication strategy and with which activities do you realize this*
8 *strategy?*

9 The marketing strategy is basically to invest in client relationships of existing clients. The aim is that
10 the market areas execute the customer relationship. In addition to that, we have an overall commu-
11 nication which strives to strengthen the brand of the company A. The aim is that clients get the feeling
12 that they have well-chosen their service provider. Nevertheless, the marketing and communication
13 portfolio grew without really asking of what the focus is and what the key messages to transport the
14 market are. This is also due to the fact that we have a very heterogeneous structure in our group
15 with 22 individual companies with certain competences and local markets. Finding a key point (aim)
16 of marketing within this structure is more difficult.

17 *This was more about the strategy. What are the current marketing and communication activities/in-*
18 *struments that you are using right now?*

19 If you are looking at the budget, the main part goes to written communication and the second largest
20 part is event. Let me have a look at the numbers (picks up the folder with the marketing budget).
21 Around 2/5 of the budget are split between written communication, brochures, direct mailings etc
22 and the other 2/5 are events, fairs and conferences. The third largest part is marketing support,
23 which goes in the direction of customer relationship tools, translation etc.

24 *You have talked now about quite some offline marketing and communication activities. Do you also*
25 *use digital marketing and communication?*

26 There are some activities. About 10% of the budget is reserved for online and e-media. Mainly we
27 use it for newsletters and the website.

28 *May I ask you how much the overall marketing budget is?*

29 The point is that if you just look at the group level, it is about XY. In total we have about 350k which
30 goes to core marketing and communication activities on the group level. We have another 150k
31 which are for marketing support activities. There are some activities of individual companies on this
32 marketing and communication budget, but by far not all. It is not very transparent and therefore the
33 overall budget may be significant higher than we see it at the group level.

34 *Let's go to the future: In your opinion, how will the marketing and communication context develop*
35 *and change in the future? What changes would you forecast in the short, medium and long term?*

36 Our own development or a general view of what is going on in the market?

37 *Well, actually both, if possible.*

38 In regards of what is going on in the market, you can see a specialisation on the one hand and
39 integration on the other hand. This means we have companies that are very focused on their narrow
40 area and speciality portfolio. On the other hand we see big company emerging kind of a conglomer-
41 ates, like the Company A. This is not purely driven by communication needs but as well by market
42 developments and needs of the customers. So there are different strategy one can follow for ad-
43 dressing the market's needs. Company A has definitely decided to integrate many competences,
44 companies and regions. And the main challenge here is to answer the question for what? What is
45 the added value for the customer of such an integration? And we have very diverse customers.
46 Company A is still looking for this added value. The assumption is that there is a huge potential, not
47 only for the value creation of the company but as well as for the added value for the customers. The
48 answer is still a bit shaky because just to be big is not an added value for the customer. Therefore

49 we have to communicate a compelling story about the added value and find our core messages.
50 That's the main process we are going in the near future. What is really the value proposition?

51 *Do you see any concrete changes which will take place in the way you will communicate?*

52 There are two things: Sharpen the knife and image. Transport the added value for the customer
53 when choosing the Company A. And this will be mainly done with concrete stories. However, these
54 stories need to take place on different levels of clients. We have very big clients that enjoy the ad-
55 vantage of a one-stop-shop, but we do have as well many little clients and we have to show as well
56 what is really in for them by choosing the services of Company A. Secondly, we have to choose our
57 targets more wisely. Specifying and segmenting our clients and differentiate within the communica-
58 tion and stories used in order to target better the different key markets we want to address.

59 *Can you also foresee any changes of marketing and communication instruments that you will be*
60 *using in the future?*

61 Everyone will tell you in these days that online is king. The question for me is, is it also king for
62 clients. And I'm not that sure because the planning and construction industry is probably ticking in
63 another way. Maybe clients there are some clients that are very online affine, but there are for sure
64 as well others. This goes hand in hand with the differentiation. If you want to tell stories, you definitely
65 have to do it in a more visual way with the use of pictures and videos than it was done so far.

66 It seems to me that these forecasted changes are not too far away. Do you have a vision what
67 marketing and communication will look like in ten years?

68 (Struggles with answering) Well there are billions of organizations that struggle with the similar chal-
69 lenges. And the same is true with marketing and communication. In the end it is about building the
70 brand and selling the services, what changes is the way you do that and the stories you tell. But it
71 will be still the same challenge, so the question is what is really going on in terms of perception and
72 perception patterns in certain client patterns. (...) Do you have a vision?

73 *Well not a really formed vision yet, but I have the idea that marketing will be change in the way that*
74 *it will be more about how to inform and persuade customers in a way they do not recognise it as*
75 *marketing.*

76 I would say this is not vision, this is reality. Because customers today are well informed and have a
77 variety of choice and different sources of information. They are not dumb. Catching them with things
78 they really need is already reality.

79 *I agree with that. Nevertheless, in the B2B segment is not as far development in terms of storytelling*
80 *as in B2C. Interesting content will become even more important.*

81 That's true. And I think we do not live up to this expectation and could improve there.

82 *Let's speak about the marketing budget once again. If you would have the full decision power right*
83 *now, how would you allocate the marketing and communication budget in the future?*

84 First of all I would cross the border between internal and external communication. This goes back to
85 the vision point. A company, which is at the end knowledge driven, the best marketing you can do is
86 to deliver the best service you can. Therefore, you need to have the best at the desks in collabora-
87 tions with the clients. In order to have the best, you have to make sure they are really empowered.
88 And the key to empowerment is being informed and being in full knowledge what is going on. A
89 transparent internal communication is a need. Normally, marketing budgets are just about external
90 communication. But I believe that the border between internal and external communication get blurry,
91 it mixes and goes hand in hand, in particular in a knowledge driven environment. If you look at other
92 companies at other companies which are knowledge driven, this kind of market of services is very
93 reduced compared to markets where you sell a product. The short answer is to invest in internal
94 communications and collaborations and reduce advertising investments. That would be the big shift.

95 *To deliver the best possible service with the best people, goes that in the direction of employer*
96 *branding?*

97 Absolutely. But there is a very important point. When you do employer branding with an advertising
98 campaign, with fancy adds, you will not attract the best employees. They are looking for projects and
99 interesting task, they are looking for an environment which offers them the opportunity to apply their
100 talent. That is way employer branding has still this notion of that you have to market your employers
101 qualities. But you do not have to show it. There, it is way more important to invest in that people like
102 to work here than telling to like to come here. Because if this is really a cool place to work and the
103 salary is okay, they will now. They are informed because it is transparent.

104 *How do you increase the business performance of the Company A with marketing and communica-*
105 *tion? Can you mention some practical examples?*

106 The best example here are probably client events. If you can really create space where it is possible
107 to show your competences but also be able to talk about new businesses, this is certainly a way how
108 you can increase your share of wallet. Which is the point in the end. I must say I am very sceptical
109 about these classical adds and even well-done add-words and campaigns. I guess decision makers
110 in the B2B segments would say okay that was interesting but it does not influence the decision that

111 much in the end because they are well educated in the B2B segment. Therefore, we need to have a
112 platform, where these kind of discussions are possible in order to increase sales.

113 *Now I would like to go in the direction of the tender processes, where you really make the deals with*
114 *your customers. Do you know how they look like now and can you imagine how they will develop in*
115 *the future?*

116 I cannot answer with direct knowledge from Company A, but I know it from other industries. The
117 point is that the tender processes, which are done by state organization or large companies with a
118 strategic plan, became very transparent. This is very hard to deal with. In the end if you are one of
119 those who can offer, you run a big risk of not getting the job. The main point is to try to make business
120 in those niches where you do not have a tender process. There, the direct dialog with the clients is
121 very important. When you have to go into tender processes, and Company A really has to, you have
122 to show what you can offer for the lowest price you can afford. But this is more a business issue
123 rather than communication.

124 *How do you think are decision makers informing themselves about the market and services to*
125 *choose?*

126 Well it is for sure an important point to get on the shopping list. And I think the key issue to be on
127 this list, beside the basic things such as trustworthiness and solid financials, is that you have demon-
128 strated your ability to handle such or similar projects. Telling stories of successful projects on that
129 level is clearly a communication issue.

Interview B (Company Representative)

Title: Marketing and Communication Context of the Future

Format: Phone-Interview with audio recording

Company: Company B, based in Switzerland, Swiss and international orientation, between 200 and 500 employees

Interviewee: Head of marketing and communication

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 02.03.2017, 08.15, phone

Duration: 50min

Language: German (transcript translated by interviewee)

1 *How did your marketing and communication strategies and activities evolve in the last five years?*

2 At the beginning, one person, which was part of the executive committee of the group, had a personal
3 interest in marketing and started to market company B and was responsible for marketing and com-
4 munication. From this one-man-show in Lausanne, marketing and communication was transferred
5 to the headquarter in Fribourg where over time up to six employees were working in the department.
6 Today, we are four employees whereas one is an intern. The department was always called market-
7 ing and communication, however, in the construction service industry, the focus is clearly on com-
8 munication. We are not responsible for developing the services or price them, so it is not traditional
9 marketing. We are responsible for the communication. Communication did change within the last
10 five years heavily from print to online. Today, a major point for us are the website and the work on
11 social media platforms. Traditional instruments such as mailings, which we still have, or advertising
12 in magazines are less important compared to five years ago. However, I am working here at com-
13 pany B and in the industry since two years only, so that is what I have learned so far how it has
14 developed.

15 *What is your current marketing and communication strategy at company B?*

16 Hesitate to find answer (open presentation on computer). The marketing and communication strat-
17 egy is derived from the strategy and goals of the whole group. One group strategy is for example
18 that we want to get closer to our clients. This means for marketing that we have to measure if our
19 clients are satisfied. Therefore we will do an online survey in this year with clients that had projects
20 with us within the last six months. This is one part of marketing, kind of market research to get to

21 know what our clients like about us and where we have room for improvement. Another important
22 point of our group strategy is that we want to develop business units where we are active already but
23 not as strong right now. This is about the competences in the field of water, energy and buildings.
24 Yet, we have been very successful with environment engineering. Now we would like to develop
25 more as well in the field of water, energy and buildings. The strategy of the group is that we will found
26 spin-offs of the respectively fields. They will be developed within the next view weeks. We from
27 marketing and communication were involved by the creation of their names, with the development
28 of their individual websites and their individual visual appearance such as their own corporate identity.
29 Furthermore we support the launch of these new brands of the spin-offs, which is another part
30 our marketing activities. Then we did buy two new companies in the engineering business last year.
31 The integration of these new business units is as well part of marketing and communication. Another
32 topic on the group level strategy is that we have to optimize our costs compared to the competitors,
33 which means that as well marketing and communication has to figure out where to save costs. We
34 have recognized that digital media and social media in particular are very useful tools in the market-
35 ing and communication while not having as high external costs. However, there are internal costs
36 which occur mostly due to content developing and as well to request these information internally.
37 We did start to ask employees for interviews and photos, we have many employees asked to send
38 us information about different topics. And then the next step will be to transfer the information and
39 upload it on the social media platform. We have recognized that we are successful on linkedin, which
40 we are going to expand soon. We have recognized that the readers are liking videos quite much.
41 Therefore we will push videos and other visual content in the coming year. We work together with a
42 professional photographer and will soon work together with a professional video agency to develop
43 good content for our e-media such as the website and social media. If possible, we are hoping to
44 place this content as well in external media. Last year we did create a compendium (Wiki) with our
45 engineers which we use in different ways now. Every week we are publishing one topic on our social
46 media channels. We did also create a book with the whole compendium, which we sent to all our
47 customers to show our knowledge and competences. These are the main parts of our strategy.

48 *You did tell that there was a shift from offline to online communication in the last years. How is the*
49 *budget split in your company?*

50 That's quite difficult to say. Looking on the time aspect, we invest quite a lot of time in online activities.
51 But financially speaking it is less. We will soon start with Google AdWords. I have to check shortly
52 on the budget to tell you how it is allocated (opens budget on computer). (Seems to be surprised).
53 Okay, so we do still have many print activities. Well it is quite different to the food market I have

worked before. We do not have a large media budget. Our budget is more in the direction of company brochures, the web-page... (searches and calculates). We do also attend at fairs, where we work as well for HR. Then we have events too, which is not online. Well I would estimate that around 20% is online and 80% are other instruments, at least from the external costs. And within these 20% online are as well the costs for movies or for local.ch where we invest something, then media-monitoring such as argus, as well an internal client database where we have to pay for the license. It's quite difficult to split clearly but I would say 20% digital vs. 80% others.

May I ask you how much the overall marketing budget is?

Yes, the budget for the external costs is around 500k. Which is without the costs for the employees.

Let's go to the future: In your opinion, how will the marketing and communication context develop and change in the future? What changes would you forecast in the short, medium and long term?

Well, that is a very current topic as well in our company where we will discuss later today in a project team. For sure, one-to-one communication will be a big thing. We have to be better in the one-to-one communication with our clients. We have to work with a CRM and know our clients in order to have customized communication possibilities. The first step is the client satisfaction survey which I already did mention. But as well Mailings need to be more customized in the future. As well our marketing activities have to be customized for the specific target group. However, this requires the technical requirements like the CRM and that our internal information for example about references are up to date in order to use profitable. Right now, this is not as interconnected as I would like it to be. We need a good CRM, we need to have an excellent data management in order to manage all the photos and references and services. Right now we have a project based folder order where we can use the photos and references for different marketing instruments. In the future, however, it has to be better because now we have different formats and quality of photos and information or do not really know where they came from. We need to have one system where we have all information available. I did see different IT solutions for this, but we do not have any of them right now.

How do you see the development of marketing and communication instruments in the future?

I would say online advertisement or for example adds on linkedin are likely to get more important. We will soon use linkedin adds in our company. We will use it as an addition to the content we upload on linkedin. So this will be a new instrument for us. In the field of events we are trying to work with online invitation and registration in the future. As well surveys that we will do are going to be online only, we have now a license for surveymonkey. In the field of events we will work with eventguide, which is a free but very useful tool. For the branch in Berlin we are going to develop an online mailing

brochure with the help of the mailchimp tool, which enables customized and statistical measurable e-mail mailings. These are all online tools, which we did not use right now but will in the future. It goes in the direction of measuring our activities and impact.

Let's speak about the marketing budget once again. If you would have the full decision power right now, how would you allocate the marketing and communication budget in the future?

Actually, I can pretty much decide about the budget by myself. Therefore I have the budget done as I like it. However, a part of our costs as well in the digital budget are for tools which are not cheap. And I would prefer to work with established but low prices. I did notice, and I have worked with many different CMS tools, that if it costs more does not mean it is better. I think that is the same with websites and I believe that it does not make sense to invest a lot of money in these tools when you have free available tools that are proven good and intuitive such as wordpress for example. Therefore I will now use wordpress for the new websites. Which is actually surprising. And in the marketing and communication context, I believe that there are many overrated tools, which can be customized. I prefer the standard versions because its works just as fine and costs way less. Another point to mention is that there are so many request for any kind of marketing and communication support or opportunities which are basically kind of scamsters. They want to have many for publications in so called magazines which nobody reads or to list you on directories and indices which are not relevant. So I get weekly more than one of these dubious request. And I can imagin that quite an amount of our branches' marketing budgets might be spent on such activities. Because we have one marketing and communication budget on the group level, the one I explained you before and then we have individual marketing budgets in our regional branches. And the reason that money is spent in such useless activities is that many marketing decisions in the branches are made by managers that have no experience or education in the field of marketing and communication. They are simply not aware of that. Luckily, more and more of them are asking me if this request are serious and useful for marketing and communication. So there is potential to reduce budget in the field of this rip-offs, not only at our company but in general.

How do you increase the business performance of the company B with marketing and communication? Can you mention some practical examples?

Here, the measurement plays a very important role. We have good statistics for example with Google my business, where we see how many users did click on our link or phone number. We now how many people are reading what and clicking where, but we cannot measure the conversion rate since we do not have an online shop. The same with the books we sent to our customers, we tried to check the impact of them. So we did receive many re-orders for the books, which is great. Then we did

119 receive four requests via our websites due to the book that we transferred to our business line, which
120 then offered again. But in the end we do not know if there was a conversion or not. We cannot
121 measure the conversion rate of any of our activities yet. And this has to be developed more.

122 *Now I would like to go in the direction of the tender processes, where you really make the deals with*
123 *your customers. Do you know how they look like now and can you imagine how they will develop in*
124 *the future?*

125 Well I am definitely not an expert in this area. I did learn that the price is a crucial part of the tender
126 process and that certain clients are expecting that you do not calculate with Swiss salaries only. This
127 means that you need to outsource certain tasks where the salaries are not as high as here. Which
128 we also do. Therefore the price is and will be very important, but it will less and less be related to the
129 prices according to the SIA (Swiss engineer association). Other than that, I cannot tell really much
130 about the tender process because we have an offer team at company B which is responsible for that
131 and marketing and communication is not involved there.

Interview C (Company Representative)

Title: Marketing and Communication Context of the Future

Format: Phone-Interview with audio recording

Company: Company C, based in Switzerland, Swiss and international orientation, between 500 and 1000 employees

Interviewee: Marketing and communication employee for many years (head of marketing and communication was unavailable for the interview)

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 02.03.2017, 14.00, phone

Duration: 30min

Language: German (transcript translated by interviewee)

1 *How did your marketing and communication strategies and activities evolve in the last five years?*

2 There was a general move from print to web. Earlier, we had to have a printed company magazine,
3 which was delivered to clients and potential clients. We don't have that anymore. We do only have
4 one company brochure. In addition, the whole website was developed and re-launched in November
5 2016. We have now a responsive design and simplicity was a high priority. We tried to have less
6 text, however we still do have a lot of text. Then we have updated our corporate design, which was
7 another important development. We call us now only company C and before we used to call us
8 (mention former name). This is connected to the international branches in South-America and Asia,
9 where the longer name was kind of a tongue twister. Therefore, we searched for an optimal name
10 which can be used here in Switzerland as well as abroad. Furthermore, the logo, colours and design
11 was updated at this point too.

12 *So the new corporate design is closely related to the internationalization strategy. How did the mar-*
13 *keting and communication strategy evolve in the last five years?*

14 Well corporate design is a part of marketing and communication.

15 *But otherwise, you cannot remember any significant changes in the strategy?*

16 No, there were no big changes in the strategy. There are some little parts of the strategy, which were
17 developed, but the overall strategy stayed the same. We are generally very restrained in terms of
18 communication, we don't publish media releases or communicate offensive.

19 *What is your current marketing and communication strategy at company C?*

20 I don't know how detailed I can explain the strategy because a colleague has written it. We are the
21 market-leader in terms of sustainability in Switzerland and I would say the strategy is that we keep
22 this position. Communication has the aim to support this reputation. Furthermore, we have the ge-
23 neric goals to keep and raise the awareness of the company. And all marketing and communication
24 activities are based on this, the website, the brochure, the whole visual language. We are responsible
25 for the branding and positioning of our company in the market. Furthermore, with the internationali-
26 zation strategy, we have to make sure that we can expand our good image to the new markets and
27 develop our reputation there as well as to get known better in these markets. This we do with the
28 project communication, which get around. However, we do have a very restrained culture and com-
29 munication and therefore we do not publish any huge communication projects at all.

30 *What kind of marketing and communication instruments are you currently using?*

31 We mostly use our website for that, so there are many project references available. For some pro-
32 jects we still produce printed references in order to use for new offerings. Beside this, word-of-mouth
33 recommendations are a very important part of our communication. So we often receive new offers
34 due to the fact that someone recommended us. But we don't have any kind of newsletter on purpose.
35 We did evaluate with selected customers the needs of our clients and noticed that there is no need
36 for a newsletter. The same is with social media: we are on chosen social media platforms active, but
37 only on xing and linkedin and use them for recruitment. Some employees do as well post project
38 examples there. But we are not active on facebook or twitter because our target group simply is not
39 on these networks. We did discuss this issue very detailed during our social media strategy workshop
40 around five years ago. Another point to mention is that company C's communication department was
41 earlier very small. However, we grew quite a lot in the recent years. We are now 18 employees and
42 were five years ago only four. We recognized that our clients have a need for a professional com-
43 munication of their projects. Therefore we now offer services in the field of infographics, icons, videos
44 or even animation videos in the near future. This is another general trend in marketing and commu-
45 nication, there is a move from text to moving picture.

46 *Is this referred only to the project communication for your clients or as well for the corporate com-
47 munication for company C itself?*

48 Both, I am right now on a project for an animated video for company C. So we will use Video more
49 often for the corporate communication. We also have many infographics on our own webpage. We
50 recognized that as well our target group is not interested in reading long texts but prefers to capture
51 complex content with simple visual graphs.

52 *How is the budget split in your company?*

53 (Struggling to answer) well I think I am not allowed to tell you that kind of information or numbers.
54 What I can tell you is that it is relatively low for the size of the company.

55 *Let's go to the future: In your opinion, how will the marketing and communication context develop*
56 *and change in the future? What changes would you forecast in the short, medium and long term?*

57 One point that I already mentioned is the move from text to picture, which will be of key importance
58 in the future. This is true for videos, animation movies or gifs. Another development is the further
59 move from print to web. Furthermore, I believe that storytelling will become more important in this
60 industry in the future because classical advertising such as for example paid adds on linkedin are
61 annoying for the target group. Therefore, more and more companies will try to use storytelling to
62 capture the attention. Storytelling has a better credibility, is often more emotional and better accepted
63 as paid campaign adds.

64 *So it seems to me that these are developments that will take place in the short to medium term. Do*
65 *you have a vision how marketing and communication could evolve in five or ten years?*

66 I would say the web will keep being important. What will change is the speed of the further develop-
67 ment, which will certainly increase. The same with social media, there will be rapid development.
68 Some platforms will keep important, others will disappear and new ones will evolve. Furthermore,
69 the market and usefulness of apps will be changing. But how exactly is impossible to forecast for
70 me. The only thing I know is that we have to keep ourselves informed and that we have to analyse
71 the situation constantly and adapt our strategy and instruments. And we have to be open for this
72 web and social media world. Many people in the construction service industry are scared of negative
73 comments or a shitstorm on social media but you also have to see the many opportunities it offers.

74 *Let's speak about the marketing budget once again. If you would have the full decision power right*
75 *now, how would you allocate the marketing and communication budget in the future?*

76 I would increase the budget for web marketing significantly as well as the budget for storytelling.
77 Videos would be another major part. And we would have a part of the budget which we could use to
78 think about such questions as you asked me during this interview. To analyse trends and their po-
79 tential.

80 *Where would you decrease the budget?*

81 Nowhere, because I am convinced that we have a too low budget for all the activities.

82 *How do you increase the business performance of the company C with marketing and communica-*
83 *tion? Can you mention some practical examples?*

84 I think one of the most important point is that we transfer the language and way of communication.
85 An engineer, which is excellent in his field of knowledge and specialization does have a very narrow
86 view and is often not able or willing to see the bigger picture. We on the other hand can decided for
87 which target group it makes sense to publish something and adapt the language and style accord-
88 ingly. As I cannot calculate any structural analysis most engineers cannot communicate adequate to
89 all the different target groups. Therefore we are consulting our colleagues. Sometimes we do just
90 edit a text or create an infographic out of a text, but in the end it is a comprehensive consulting.
91 When an engineers is coming to us with a question, we normally ask about the aim of the project
92 and the target group and decide for the message and instruments to use accordingly.

93 *Now I would like to go in the direction of the tender processes, how much do you know about these*
94 *processes?*

95 Well I know it as well quite good because we are often part of this processes when we offer for the
96 project communication of a construction project.

97 *In your opinion, how will they change in the future?*

98 It is very dependent on the industry. However, the budget that is calculated by the one that ask for
99 the offerings are very very low. Our credo is to sell our service at a high quality and this is very
100 difficult within this price sensitive environment. Beside the price, the whole documentation will prob-
101 ably further increase. It will become more and more an administrative effort. Therefore, we need to
102 have a good structure of the needed documents in order to offer effectively and without too much
103 effort.

Interview D (Company Representative)

Title: Marketing and Communication Context of the Future

Format: Phone-Interview with audio recording

Company: Company D, based in Switzerland, Swiss orientation, between 200 and 500 employees

Interviewee: Head of marketing and communication

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 08.03.2017, 15.00, phone

Duration: 40min

Language: German (transcript translated by interviewee)

1 *How did your marketing and communication strategies and activities evolve in the last five years?*

2 Well, first I have to say that I am in this position since 3.5 years and I did not meet the previous head
3 of marketing and communication in person. As far as I heard, Company D began with the first exter-
4 nal communication in the late 80's. At this time, the only communication was the annual business
5 report. When I started here we had a project to merge the different Company D companies to one
6 umbrella brand. Company D did grow over time with different company purchases and the umbrella
7 brand was not lived before. So when I started here, we began to appear as Company D Group. And
8 since then, we do more external communication.

9 *How did the marketing and communication strategies and activities evolve in the 3.5 years you have*
10 *been at Company D?*

11 Yes, there was a change of how we communicate. Before, it were the individual companies based
12 on the division, which communicated with their individual company names. After the rebranding,
13 Company D became one entity and we started to put out services in the centre of marketing and
14 communication.

15 *What is your current marketing and communication strategy at Company D?*

16 Okay, I do not have a simple answer to this question. When I started at Company D, there was no
17 existing marketing strategy. Before, Company D did have an annual business report and did some
18 sponsoring and others, but it was all pretty much ad hoc. Therefore, I try since 3.5 years to deduce
19 a marketing and communication strategy based on the company strategy. Year after year I set goals

which I try to achieve. However, this was not always successful and I cannot claim that I have a clear marketing and communication strategy. One reason for this is that I am only one person and do not have a team to work on this. At Company D, marketing is seen as a service for the companies within the Company D Group. So my task is to support the business units with their different needs, which could be a statement in a professional journal, an add or the preparation of a presentation. On the group level, the aim is to brand Company D Group as one brand: Planung an seiner Hand (one partner for all planning). The goal is that we can position ourselves as one of the top company in this field and that we are recognized as that.

With what kind of marketing and communication activities are you currently working with?

On the one hand, we have the digital/online part, which we are develop further in the future. We are developing a digital strategy right now where we plan to work more with our website and a newsletter. We plan to use online more frequently in the near future. But at this very moment, it is not clear how because this digital strategy is not fixed yet so therefore I cannot explain you more. In the print area we have the annual business report as a marketing tool, which is basically a review of the most important project of the year. This can also be used for the acquisition of new projects. We are as well present at some fairs. However, this is clearly in the direction of job fairs which we use as employer branding. We try to get in touch with the best students. But are at very few industry fairs present, where we could present our competences and services. Then we have certain employees which are professors at university, which are as well kind of brand ambassadors. Another activity is that we try to use every opportunity to promote Company D at the actual construction site with signs and posters or once a project was finished successfully we do sometimes pay for an add in a professional magazine. Overall, the activities are more towards the branding in general rather than focused on individual services or competences.

Let's go to the future: You did already mention the digital strategy that you are developing at Company D. In your opinion, how will the marketing and communication context develop and change in the future? What changes would you forecast in the short, medium and long term?

How it will develop is kind of a wishful thinking for me. We are different business units under one umbrella brand which are currently operating very independent on the market. However, we have to recognize that we have to work together. Then, if we have something to talk about we really need to do it. Right now I am the only person which is trying to get the relevant information for the communication, which is really hard. Sometimes, I do simply not get the relevant information. Therefore, it is very difficult to plan the communication and have a certain strategy. Due to this, we often miss

good opportunities. And in particular with the digital media, where stories are very important we have to be closer to the projects and we need to be able to have at least a short term content plan.

You did now mention storytelling. Do you foresee other developments in marketing and communication activities and strategy in the future?

The umbrella brand has to be implemented further. All employees need to recognize that we have to work together to get better. Regarding the marketing activities, I am trying to find employees in the group to work closely together in order to foster the understanding of marketing in the different departments. As an individual, it is very difficult to have a clear general view of what is going on in the business units.

If you imagine marketing and communication in five years. Are you using the same marketing and communication instruments as today or do you foresee any changes?

That is a very difficult question. It will be very much depending on the budget. The decision makers are not willing to invest more in marketing. It will be as well depending on the outcome of the digital strategy, where we focus now on the website. However, we are as well thinking about using business platform more often. If we will do this in five years is depending on the monitoring of success. If this really works I can imagine that we will work together with experts to discuss certain industry topics and use them to position Company D as an innovative company. But right now it is very difficult to foresee. What I can say is that the digital strategy is very important already now and that this will be very important in the future too.

What do you mean exactly with business platforms?

Xing and LinkedIn, to share information with the network and try to address the specific target groups.

Can you imagine any other development?

Yes, one thing we plan in the future is, and this was requested by one of our business units, that if a project were something new was used or implemented, that we start a PR champagne about that. The aim is to share this information cross medial in order to reach the target group. But we need to plan that in advance in order to be able to market such a project. The ultimate goal is to attract new clients based on the innovative projects we already did.

Do you foresee any challenges that will appear in the future?

The main challenge is to have the necessary resources for marketing and communication. In particular with the digital marketing, which is very fast moving and requires prompt reactions. Right now I

am one person which works together with different project managers in the business. However, they have to focus on account each hour to a certain project which is not always possible with the task for marketing and communication. This is a challenge. Marketing is an investment, which cannot be accounted directly to one project or another. There have to be change in the future in this administrative manner.

Now we talked already a bit about resources. Let's speak about the marketing budget in particular. If you would have the full decision power right now, how would you allocate the marketing and communication budget in the future?

I would use a part of the budget to invest in manpower in order to achieve more continuity. Manpower is more important than investing in a single instrument or activity such as a PR champagne because it is a long term investment.

How is the marketing budget allocated today?

(Needs some time to answer, probably searches for marketing budget on computer) We have one part for print which does include the annual business report which is quite significant if we include to professional photos which are needed there. Then we have another main part where we promote customer loyalty with client events. I did not mention that as a marketing activity before but this is another thing we do since several years. We do invite selected customers to cultural events. This is for networking and is appreciated very much. Then we have a part which goes in the development of the digital strategy, which is a project cost right now and will be part of the regular budget in the future.

May I ask you how much the marketing budget is at Company D right now?

Yes, it is about 300'000 CHF. In addition, if there are any specific project with individual business units, the costs for marketing and communication are accounted internally in addition to the basic budget. However, this is not a high amount.

How do you increase the business performance of Company D with marketing and communication? Can you mention some practical examples?

I cannot estimate that, this is very difficult. We do not measure any KPIs or similar, in the end, marketing and communication is brand reputation and brand awareness but not we do not get a new project because we have a good marketing. New projects we get through loyal customers and through recommendations. Therefore marketing and communication is more a support for that.

112 *Now I would like to go in the direction of the tender processes, where you really make the deals with*
113 *your customers. Do you know how they look like now and can you imagine how they will develop in*
114 *the future?*

115 This is something where I am not involved at all. Therefore, I cannot explain you anything. I did notice
116 that it is an increasing problem in the construction service industry that the prices are extremely
117 under pressure. That as well the public sector does expect low prices and companies do undercut
118 each other with lower prices constantly. Therefore, the market is very difficult and services cannot
119 billed as much as they are worth as well according to the education of the education of an engineer.
120 But other than that, I do not now more. The whole acquisition is not part of marketing at Company
121 D. The business units are solely responsible for that.

Interview E (Company Representative)

Title: Marketing and Communication Context of the Future

Format: Face to face interview with audio recording

Company: Company E, based in Switzerland, Swiss orientation, between 200 and 500 employees

Interviewee: Head of marketing and communication

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 17.03.2017, 08.30, interviewee's office

Duration: 45min

Language: German (transcript translated by interviewee)

1 *How did your marketing and communication strategies and activities evolve in the last five years?*

2 My position here was created when I started here 2.5 years ago. Therefore, before, there have not
3 been any kind of organized or coordinated marketing and communication activities. Not to mention
4 that there was no strategy at all. With the creation of my position, the message was really clear that
5 the company want to focus more in marketing and communication and that we are ready to invest in
6 the needed resources. Since I started, and this is still an ongoing process, marketing and communi-
7 cation activities are added, upgraded and extended. I would say we are still in the development
8 phase of marketing and communication today.

9 *What is your current marketing and communication strategy at Company E?*

10 Hmm, that is difficult to name a main goal. I mean there are many sub-goals we aim for. The first
11 step was to create a new appearance of the company two years ago. The aim in the first year was
12 to have a consistent appearance as a company. Furthermore, we want to be recognized as a modern
13 company and try to trigger more emotion in this industry, which is often very technical. These are
14 the goals for the external communication. However, the internal communication is of key importance
15 too. And in fact, internal communication and initiating an internal change is in my experience often
16 more difficult. It is a difficult task to change the behaviour of employees so that they behave accord-
17 ing to our corporate identity.

18 *With what kind of marketing and communication activities are you currently working with?*

19 An overview of the activities. Okay, we have on the one hand the traditional marketing activities such
20 as flyers, a client magazine and other print things. I would say these are the things one nearly must
21 have. And then we have of course all the new media with the website, with social media. And the
22 internal communication is part of marketing and communication, and there we are currently at the
23 development of an intranet. Then we also did develop kind of an internal newsletter. Both activities
24 aim to replace the traditional notice board, where we did publish change of employees and so on. In
25 addition we also have internal education for our employees, currently they are planned to be about
26 corporate behavior.

27 *How is the marketing budget allocated today?*

28 Yess uuhm, that difficult. What I did not mention before are the client events, which are actually quite
29 important too. The events are in the end quite a large position in the marketing and communication
30 budget. Uuhm. But I have difficulties to explain you to allocation of the budget right now, there are
31 several different activities. I would say uhm (silent, thinks).

32 *Maybe a broad allocation; how much is invested in the traditional activities, how much in the new
33 media?*

34 It is difficult. It is probably split even. However, both traditional and new media are pushed. It is both
35 very important. (thinks) Well regarding the cost of employees, which is my time, the focus is clearly
36 on the new media because they require a bigger amount of time such as for example social media.
37 External costs for social media are close to zero, but I have to invest a lot of time in order to manage
38 them. Therefore, I would say it is more invested into the new media. But the traditional activities are
39 still very important. I would say that is the difference to other industries. We have to focus on online
40 marketing and communication, however, traditional activities are still needed very much in this in-
41 dustry. It is common that one can hand over a printed flyer or booklet and as well the newsletter for
42 clients is still a hardcopy rather than an E-newsletter.

43 *May I ask you how much the marketing budget is at company E right now?*

44 Uuuhm, well. No I think I am not allowed to state that to externals.

45 *Let's go to the future: You did already mention the digital strategy that you are developing at Rapp.
46 In your opinion, how will the marketing and communication context develop and change in the future?
47 What changes would you forecast in the next 12 months?*

I don't think so. In this short term I cannot foresee any changes. It will change for sure in the future and it did already change a lot in the past. Many folks tell me that this form of marketing and communication in the construction service industry and engineering companies would not have been possible 5 or 10 years ago, it would have been simply impossible. There did quite an extreme change take place in the whole industry. The industry has recognized the importance of marketing and communication. And the companies dare to do something in marketing and communication. Architects, for example, do that already for a long time. But until recent years, the mindset was more or less that the architects are allowed to do this but engineers were not really allowed to present their projects when they were finalized. In the meantime, engineering companies do dare to do that and I believe that this development will continue. I would say another point is that we try, as in other industries too, to get more emotional in the future, to arouse feelings in this very technical environment. Currently, marketing and communication is not very emotional in this industry. I can imagine that this could change in the future.

Do you foresee any changes in marketing and communication activities in the near future?

Yes, I did not mention that but I guess the construction service industry will, as all other industries too, develop further in digitalization. One thing is the marketing and communication, which in general gets more and more digital. And the other thing is the industry, which as well moves in the direction of digitalization with the new opportunities of the digital construction. But I would say these changes will not happen in the next 12 months, there is some more time needed.

How much time would you say is needed for these changes?

I would say, by the rule of thumb, around 5 years.

In your opinion, are there any other changes and developments that could take place in the next 5 years?

No not really, the digitalization as I mentioned and that the emotionalization will continue too but other than that. I don't know.

Do you foresee any challenges that will appear in the future?

(Long silent) I have the feeling that the internal communication will get more important. However, I have no idea about the competitors how far they are with internal communication. But I would say that the construction service industry is pretty much behind compared to other industries. This is my personal opinion, but as well new employees, when they enter the company from another industry

78 they are often surprised how undeveloped the internal communication is because they are simply
79 used to something different.

80 *Do you have any visions or trends how marketing and communication could change over the next*
81 *10 years?*

82 That is difficult. (silent) Uhm (silent). Well, for sure no specific changes. I guess, but this is again
83 something general and not only in the construction service industry, that one will completely drop
84 the traditional marketing and communication activities. I would say very very much will be digitalized
85 in the future and as well personalized. Simple due to the possibility of the data management, the
86 people will be targeted on a very personal and customized level. The individual can be addressed
87 instead of the mass. Right now , we have absolutely no differentiations of clients or any kind of CRM.
88 This will be a huge change in the future.

89 *If you would have the absolute decision making power, how would you allocate the marketing budget*
90 *in the future? Where would you invest more, where would you decrease the budget?*

91 (Long silent) this extreme difficult. (silent again). It is very difficult to say that out of the blue. (silent
92 again). In my opinion, the personal contact with clients is still very important. In this field it is important
93 for us that we have our annual event where we have the opportunity to get in touch with our clients
94 several times during the year due to this event. This includes save the date, invitation, reminder, at
95 the event itself and post-event communication where we make the videos of the speeches of the
96 event available and so on. I think, this is a very important instrument as well for the reputation. In
97 addition, the customer relationship and retention can be improved with the personal client contacts.
98 I would increase the budget in for the personal contacts. One point to invest in is that we would have
99 a clear concept how we want to appear to the market and how our events help to reach that reputa-
100 tion. We want to recognized as an innovative company and are trying to do that with podium-discus-
101 sions with interesting guest speakers at the events for example. So that is something I would in-
102 crease budget. On the other hand, I am a bit skeptical against the social media networks. There are
103 many good platforms, but I think some of them are not really relevant for our industry. I see more
104 potential for B2C companies for being active on social media than B2B. Therefore, I would lower the
105 effort for them in order to have more time resources for other activities.

106 *How do you increase the business performance of Company E with marketing and communication?*
107 *Can you mention some practical examples?*

108 It is always very hard to measure. But I think the awareness and reputation are somehow factors
109 that are important as well for getting new orders. We are constantly evaluating methods in order to

measure the success and the benefit of our activities. That's a bit a crux, because as it is usual in this position, one has to justify a bit why marketing and communication is that important and that does not get easier with very little measurement. However, there are some ways to measure it, but they are often qualitative measurements. For example with client questionnaires, where we always try to get feedback for example that we ask new clients how they got to know us and so on. And in general, we do not have any absolute new aims with marketing, it is basically the aim to retain existing customers, which is of key importance, and that we attract new clients. But we also have different aims within the company because we have a quite a diverse service portfolio. We offer above-ground construction services but as well civil engineering, we do also work often with the government, where the whole acquisition is very different with the tender processes. I mean these clients are not even allowed to attend an event.

The tender processes are a good keyword. How far are you involved in these and do you know how they look like?

No, actually not. Well, I am responsible for the communication of the whole company and not for selected departments. When I do update the templates or the letters, then they are also used in this process. But other than that, not really. It is in fact as well the division which does have the least of all demand for marketing due to all restrictions.

Do you know, based on the turnover, how the orders are split in tender processes and traditional contracts?

I don't know. But I would estimate 40% with tender processes and 60% without.

Informal Discussion after the recording was stopped:

Corporate Behaviour initiative, as part of corporate identity, employees should act according to CI. Difficult to initiate change bc majority works since years in the way they are used to and are unable or unwilling to change. However, this is a very important part of marketing and communication.

Video: Use of videos in communication. Company E is going to make more often professional videos about their projects. Furthermore, the speeches on the client events are recorded and uploaded to be available for all interested people. Increases the reputation as an innovative company.

Interview F (Company Representative)

Title: Marketing and Communication Context of the Future

Format: Skype-Interview with audio recording

Company: Company F, based in Germany, global orientation, over 1000 employees

Interviewee: Head of marketing and communication

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 20.03.2017, 16.30, Skype

Duration: 1h 10min

Language: German (transcript translated by interviewee)

1 *How did your marketing and communication strategies and activities evolve in the last five years?*

2 Generally speaking, the online media and social media became more important, in particular in the
3 recruiting process. It is known that in this industry that we don't use that many marketing activities
4 as in a B2C environment, but that didn't change. We don't place any advertisement or radio and tv
5 adds. It is a B2B communication. In our company, it is the case that nearly all of our projects are for
6 the public sector and funded by the governments, which has an effect on the acquisition of clients.
7 We don't use proactive instruments such as direct mailings. We do apply on public tenders. We have
8 a few private clients, however the vast majority are municipals, state governments and so on. There-
9 fore, we don't use any kind of cold calls. So no call center activities. We are cautious with public
10 events such as fairs, where we attend just selected specific trade fairs. We don't attend regularly at
11 fairs since we assess case to case if it is relevant for us at this time to be present at a fair. Some
12 words about our group, we are part of the company F, which is the international frame and the
13 holding is domiciled in Germany. However, we are responsible for the marketing and communication
14 of the whole company F. Of course, part of the marketing is also done locally. For example we have
15 many employees in the Arabic countries, even more than in Europe. And these offices with like 500
16 to 1000 employees each work quite autonomous as well in regards to marketing and communication.
17 Certainly, we also have project together but the direct communication with clients is based locally.
18 To answer your question, I did recognize that online media is more important today than 5 years
19 ago.

20 *You did mention social media and the website as marketing instruments as well as selected pres-*
21 *ence at fairs. What other marketing and communication activities do you currently use?*

Well, we also use relationship management. Where we have a client relationship management software, we catch up with our clients regularly even if we do not have a running project all the time. We also have some speakers at fairs where we are not present with our own booth. Quite many communication activities take place on the level of the project manager, where we support them with marketing material. We try to work with our corporate design and corporate identity in order to build and use our brand. This includes everything from signs at the construction site to merchandising articles with the aim to have a consistent and memorable appearance. In the acquisition process we use flyers and folders, which are very specific made for the specific services we offer. We have a general brochure for the whole company, which is in English. But we also have brochures in print as well as digital for each competences and services we offer. We do constantly work on our website. We use Social Media primarily for recruiting. We do not publish any post about new projects on social media on purpose, however we upload news on our website. The reason for this is that here is a risk of negative exposure from various stakeholders on social media, which is quite common with large projects such as an airport or city planning where many people are affected. For example when you post a new dam project somewhere in Asia on social media, it can happen that environmental activists or NGOs use this platform for their interests which can get a dynamic which we are not interested in. This is the reason we use social media mostly for recruiting, job offers and informing about internal changes and company news rather than news of individual projects. We also do not have SEO due to the simple reason that we such a broad range of services, which makes it very difficult to do that successfully. In addition our clients are searching us purposeful, because if you want to build an airport you don't have to search for company that build an airport since these are pretty well known and will participate in the tender process anyways. However, in this process we try to stand out with our individual design and folders, where we use our relatively modern corporate design.

How is the marketing and communication budget allocated broadly? Is there a split in online and offline activities?

That's a bit difficult to say because we do not have a marketing budget which is really defined. There is kind of an information budget, but with no allocation. Therefore I have to estimate and would say that we invest around 10% in online activities. Do you include as well the job offers we place online?

Yes.

Okay, that's in the HR budget in our company. However, if we include that I would estimate around 15-20%.

54 *Let's go to the future: In your opinion, how will the marketing and communication context develop*
55 *and change in the future? What changes would you forecast within the next 12 months?*

56 Well the business is very conservative. Therefore, big changes won't take place within the next year.
57 What will change in the industry, and this will also affect marketing, is the digitalization of the con-
58 struction service industry. Keyword building information modeling. We have planned large digitaliza-
59 tion projects, for example that we will implement a project management software to simplify the pro-
60 cesses. One day, this software will run based on one collaborative database. We will start with the
61 largest companies and include all the smaller ones in a later step. This is for sure a project that will
62 last a long time. The purchase and implementation of the software will take place in the next 12
63 months, however, for the trainings we need more time. Therefore, this will have an effect on market-
64 ing as well in the long term. Generally, the trend will continue with the digitalization and online media,
65 which has a big effect on marketing and communication.

66 *If you imagine marketing and communication in five years. What changes would you forecast within*
67 *the next 5 years?*

68 There will be changes for sure. Keyword central client database, central project database. The cen-
69 tralization of the information of the whole group will be a change. The aim is that all offices have
70 access to the same information and therefore they also have an easier access to all marketing and
71 communication instruments. Such a centralization will also simplify processes. Synergies will be
72 used more effectively than today.

73 *Can you imagine other developments within the next 5 years?*

74 What I would like to see is, due to the change of owners of our company, that we have a defined
75 marketing budget again. This would be the base for targeted communication as for example trade-
76 fairs appearance, which I personally would increase. I think this is very relevant in the future in order
77 to stay personally in touch with the clients, especially during the time of increasing digitalization.
78 Clients could be invited specifically to trade fairs. And I would imagine that this will happen more
79 often in the future. Another point is that we will reduce our print activities, for example as well with
80 the specialist media, which are more and more digital too. This has an effect on marketing and
81 communication.

82 *Do you have a vision how marketing and communication will look like in 10 years?*

83 Since this industry is quite conservative, I don't believe that print will be death by then. A certain
84 need for printed brochures and print specialist magazines will be around as well in 10 years. How-
85 ever, the digitalization will go on for sure. Today, we do not have a clear plan and strategy for our

social media and online media, which we work today case by case. There will be a professionalization of these processes. In 10 years, I would say the allocation between non-digital and digital instruments will be around 50/50.

You did already mention that there is no explicit budget today. Please imagine that you would have the full decision power for the upcoming budgets, how would you allocate the marketing and communication budget in the future?

I would think about a professional SEO for defined services and competences. In the midterm run, no company can work without any SEO in my opinion. Therefore I would invest more in this in the future. The advantage of that is as well that we would have a certain measurement and success monitoring. Currently, we do not have statistics that record our success. That will be a plan in the future to monitor the click rates and so on. We have the free tools such as Google Analytics but other than that minimal measurement, we don't really know what happens. That's another thing I would invest in.

Where would you decrease the marketing and communication budget in the future?

Mainly in the print sector. Where I would like to invest more, I did forget to mention that before, is in our presence at the actual construction sites. Everything related to the digitalization needs to be focused on in the marketing budget too. In the print section, I would reduce some things and change them to the digital format.

You did mention that the measurement of the website is not very well developed yet. I would say this is a general challenge in the industry to measure the success of marketing and communication.

Yes, I totally agree with you.

How do you increase the business performance of your company with marketing and communication? Can you mention some practical examples?

Indeed, that is quite difficult. I cannot mention any specific examples. However, we did increase our PR activities in the last two years. Thanks to these PR activities we did increase our appearance in the public. We did increase our reputation as a professional company within the industry. I think this is kind of a success story. We also have invested in social marketing. We have a contract with a social service company for our employees, we have once a year a social day with our employees where we join and help an NGO for a day. Employees can participate voluntarily and work one day in a completely different environment. And of course we did also use that with PR to increase our reputation as a company that fulfills its social responsibility. In the last year, we did also get certified

with the TÜV for sustainable management (Nachhaltige Unternehmensführung). This is a certification which is clearly above to usual certification in our industry and as far as we know we are the first of our competitors in Germany which has that. And this is a very important message as well for marketing and communication, I would even say the most important in the last years. And I would say it a success. Clients do acknowledge the certification and more and more clients are request such a certification. This is a useful way for the differentiation. It is an upcoming topic in the future, there are ambitions to make that compulsory in the EU, at lease for large companies, to obtain such a certification. We assume that as well SME's will have to prove their sustainability in the future. Another big topic in our company is compliance. Since we work often in foreign countries, this is very common. And it is part of this certification too. So this really helps. All our employees did sign a compliance document and we have a compliance officer which is all part of the sustainability initiative. Therefore it is one of the most important marketing and communication strategies besides the increase of PR activities. But of course, there are no specific numbers to prove the success of these instruments. Often this measurements are empirical where you have to research an industry and figure out that companies that use X or Y are overall more successful than others. But I would say that the sustainability does work since we got lots of positive feedbacks. For example with projects with the US army, we need to guarantee that everything is according to the LEEDS certification, where our sustainability certification is very useful for that too because this certification does include many of the required factors and through that we are able to prove it.

Now I would like to go in the direction of the tender processes, you did mention that the majority of projects are with the governments. How much are you involved in these regulated acquisition processes?

Not that much. Well the client acquisition is decentralized. We are supporting our offices, which is an important part of our work. But the acquisition and communication is on the level of project managers. We are offering tools to use in this process, for example with marketing products or the digitalization of documents and so on. We also have a very good intranet, where all these digital documents are available for the offices. We have generally speaking a very good intranet, which is the backbone of our internal communication where we post all relevant information for our employees as well as our support for the acquisitions including the client data base. Of course as well the corporate design is part in the tender processes. We are also supporting our offices with special request from their clients, for example at one large construction site we did establish our own, temporary office. And sometimes we also take part in marketing and communication activities of our clients regarding the projects we work together.

150 *Can you imagine as well developments in the tender processes in the future? You did already men-*
151 *tion the digitalization of documents, is this already state of the art or will it be in the future?*

152 Still, it is very much on paper. Like 95% or even more is paper only. What I did recognize is that
153 some clients request in addition to the paper documents as well digital documents and I can imagine
154 that in the future digital only will be industry standard. But currently it is primarily in written form. This
155 is also due to the fact that often the offers need to be split in financial and technical offerings which
156 have to be sealed individual. The reason for that is that first the technical offer is viewed and only if
157 you fulfill the technical requirements they will open the financial offer. So if the whole tender process
158 will be digitalized, there have to be some new methods. That could be a reason for the limited digital
159 documentation. However, now we have on client that requested us to offer him all documents, plans
160 and reports digital, even in a specific format, so that he can easily put them in his digital archive.

161 *Do you see other trends that could going to occur in the tender process?*

162 With the building information modeling, the whole tender process will be revolutionized. This will
163 happening within the next 5-10years in Germany probably, which is very fast for this conservative
164 industry. In some other countries, it may take some more time to be implemented.

165 *Thank you. Do you have any additional inputs that could be relevant for my research project?*

166 What I did mention only partially is the intranet, which is a very important medium in our company.
167 We have one intranet for the whole company group, which is partially established already or will be
168 established now. I would say the internal communication and knowledge management will be crucial
169 in the appearance of the company. Thanks to the intranet we can ensure that we have access to the
170 same information all over the world, which will increase our knowledge locally very much. These
171 information need to be accessible. For example that a small office with only two employees knows
172 that the marketing and communication team will give them support if they want to participate in a
173 trade fair. Therefore, if the internal communication works well, the effect is also noticeable in the
174 external communication.

175 *Do you also have a vision how the intranet or the internal communication will change in the future?*

176 Due to the fact that we have a very professional intranet already, which is based on several data-
177 bases and on share-point, I would say this will evolve to the main communication medium for internal
178 communication. Currently, a lot of internal communication is made with email, which is not really
179 efficient. Today, when I arrive at the office, the first thing is normally to check the emails. In the future,
180 it will be the first thing to open the browser and read the relevant information on the intranet. This
181 information will be customized for the local branch and also for the position of the employee and

therefore it is very efficient to get to relevant information. Once all offices are using the intranet properly and share their information and knowledge on it, the true potential can be used. We also have a CEO-blog on the intranet, where we publish at least every other week a statement from the CEO, which is accomplished by our PR employee. We have direct response option for news and for blog entries. We will establish a message/chat system on the intranet. So it will develop from a bipolar system to an omnipolar communication system (one-to-one/one-to-many → many-to-many). This is the key for the knowledge management within the whole group. We try to include everything on the intranet, who is expert for what, information about the sustainability, about the management, about the employees, where you can see their position and expertise as well as the picture of your colleague when you write or skype with them.

Any other important points?

Another point to mention is that we will employ a university student from this summer with the aim to initiate a sustainable reporting in our group, which we will as well use in the communication of course. We try to establish the first report at the end of 2017, but in 2018 the process should be officially established.

Interview G (Company Representative)

Title: Marketing and Communication Context of the Future

Format: Skype-Interview with audio recording

Company: Company G, based in the United Kingdom, global orientation, over 1000 employees

Interviewee: Head of Marketing and Communication Australasia

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 29.03.2017, 10.30, Skype

Duration: 45min

Language: English

1 *What marketing and communication strategies do you currently have at company G?*

2 The overall aim of marketing and communication in the Australasia region, but as well globally, is to
3 build our brand and client engagement with our target market. So we try to improve our brand recog-
4 nition and reputation in our target market, which is a particular industry with corporate and govern-
5 ment players. So this is what we call marketing. The other aspect is the corporate communication,
6 which is basically internal communication where we share stories how we do on our projects and in
7 general how our firm does.

8 *And what kind of marketing and communication instruments are you using in order to achieve the*
9 *aims?*

10 In terms of how we implement that, there are different ways. The first think is that we constantly try
11 to understand our clients better. This is a combination of primary research of information based on
12 client feedback and secondary research where we buy existing research in order to understand our
13 clients and how they operate better. This is the first activity. The second activity would be market
14 profile activities that position ourselves in the key target market. This is based on the following: Pro-
15 motion and advertising, like to be present on the website, branding activities and all the stuff we do
16 to promote the company. Then we do media and PR and finally as well events and sponsorships.
17 We use all that to form our market profile in the target market. Our third main activity in marketing
18 and communication are our client engagement activities, which are programs in the direction of re-
19 lationship management. Therefore, we have to make sure that we have an effective CRM system
20 that helps us to understand our market and manage the contacts. And the fourth point are bids and
21 proposals. We have to make sure that we place the rights proposals with the right bids at the right

stage. So that are the four main marketing and communication activities we have at company G. Because the true definition of marketing does include everything from client understanding to position ourselves in the key market, communication and client engagement and finally putting the proposals to the clients. Within our firm we use the term communication to refer to our internal corporate communication. This does also include our annual report of the firm, letters and newsletters within the firm and information about what we are doing as an organization. This also includes our recruitment program and quality program. So this is what or communication is about.

Okay, may I ask you for some information about your marketing budget? How is the budget allocated and can you tell me how much the budget is?

Within professional services industry, we are basically all consulting firms. So that is the reason we do not have a huge sales and marketing team and neither a large budget for that. Bud, as any other accountant or legal firm does have too, we have partners and principals, who pitch for our work. So at our firm, about 5% of over turnover is invested into marketing and communication which is basically the cost of winning business. So in our case, if we have 300 million dollars, our marketing budget is about 15 millions. One third of that amount is supporting the activities like promotion, sponsoring, media and so on, on third will go on client engagement and the last third will go on business proposals.

Let's go to the future: In your opinion, how will the marketing and communication context develop and change in the future? What changes would you forecast within the next 12 months?

I think if you look at professional services marketing, you probably look at three different things. One is the return to more account based marketing which is basically more in the direction of key-account marketing. The other one would be instead of buying more CRM and similar software, which is quite pricy, more money will be invested in trainings and engagement. So instead of spending marketing budget on new software or updates, existing software will be used better to have budget available for the actual marketing expenses. The third one is probably the blend of resources within the marketing and communication team. In the past we had for example four full time employees, but now with the rising number of millennials coming in the workforce, there has to be a greater balance of full time, part time and freelance contractors in the team. This hybrid approach in the marketing and communication is very important.

If you imagine marketing and communication in five years. What changes would you forecast within the next 5 years?

I think this mix of resources will be even more important. And I think, depending on the certain field you are active in, the digital disruption will play a major role. So what does that mean? I guess that would be how you can maximise your touch points with your clients more effectively with the new digital opportunities. The aim has to be to get a better engagement with the target group. I think there are going to be radical changes when it comes to e-brands. So you really have to know who your target group is and how you can reach them in the digital world. Furthermore, I would also say that the digital disruption will have an effect on the workforce too.

Do you have any more specific visions, how digital disruption could change marketing and communication in the industry?

Well, on the one hand it will have a big impact on numerous parts of the business. On the other hand, focusing on marketing and communication, there are as well a couple of things I can imagine. It is easy to compile multimedia elements as videos easier as today. With the technological progress, there will be new and improved ways for using multimedia. Another example is related to the account based marketing approach where you will have different new ways to engage digitally. A third example is marketing will get more efficient. If you imagine, a client survey which is based online is way less expensive as it was without the digitalization. Furthermore, the data mining will be playing a crucial role in marketing and communication. Due to the massive amount of data that can be collected digitally, these large scale data offers new opportunities. And I think in 5 years as well artificial intelligence will become a tool in marketing and communication.

Do you have a vision how marketing and communication will look like in 10 years?

No. (pause) In terms of business outlook, 10 years out is too far. I think the optimal range is about a 2-5 year horizon. However, if I try to guess, I would say in 10 years from now, there will still be some preference to work with experienced loyal brands. I would also say that the relationship between the people of the firm and the people of the clients will still be important, but I do not know how they will look like due to technological progress and how our world will use them in 10 years. It is very hard to guess for 10 years. If you look back 10 years, back to 2007, what would be the main differences compared to today. Well, definitely mobility. We had a huge rise of mobile use with mobiles and tablets. Another point is the amount of data as a base for decision making, which is way greater today than 10 years ago. As well how a company can present itself in the market did change.

Please imagine that you would have the full decision power for the upcoming budgets, how would you allocate the marketing and communication budget in the future? Where would you increase, where would you decrease marketing and communication budget?

I think, although the technology will change, the principle of the three thirds: One third to understanding the market and your clients, another third will go to position of our brand in the market place, which are PR, media, sponsorship and advertising, the other third, or a little bit more, would be engagement and good proposition towards the clients.

Now I would like to go in the direction of the tender processes, you did mention that good offers are of key importance. How much are you involved in these regulated acquisition processes?

So what we would do is, we have major bid managers/directors that are part of our marketing and communication department. We have the task to revise and improve proposal in terms of the marketing perspective. This does not mean that we screen every proposal, the majority goes directly but the key proposals are coming through us. On the ones which we are not directly involved, we still have influence on the content, how it looks and how it is delivered due to our guidelines.

Can you imagine as well developments in the tender processes in the future?

For the big clients and projects, there will be probably pretty much the same. Government projects are often based through panel contracts, which means that instead of inviting all market players the government has its number of companies that are able to offer for projects of this particular kind of work. Therefore, it is crucial that you are in these panels. And this will continue in the future. For big project, I think, there will be still be term contracts. For small projects, there will also be tenders. So there won't be that much changes. I cannot really think too much apart from the efficiency, which hopefully will improve in the future. Today, these processes for multibillion dollar projects are already as costly as 2 million to bid for.

I have one last question. You did already mention that the measurement of client feedback will be more important in the future. I would argue, that the measurement of the effectiveness of marketing and communication in the construction service industry is very challenging. Do you have best practice examples where you could measure it and where you can say that something really increased the business performance?

Well, it is difficult to say that actually that campaign or activity did lead to a certain project or similar. It is way harder in B2B than B2C and in the environment of professional services even more. But it can be done. So the way to do it is for example that you research how your brand is known and viewed by spontaneous questions in the target group. So measuring such data over a period of time, you can view the development. As more detailed these feedbacks are, the more you can measure. Nevertheless, you cannot prove that a certain instrument did lead to something because there are

116 always several factors involved. So in our region there are major researches conducted in this direc-
117 tion. We buy these researches every second year in order to measure of market perception. But in
118 the end, marketing and communication is just one part of the whole because the whole organization
119 and employees are important for that. Another thing you can do is to measure your share of voice,
120 which is basically to monitor how much coverage you have in the media. Furthermore, you can put
121 this coverage in relation to your competitors. And you can also capture how positive, negative or
122 neutral such media coverage are. We do track this on an annual base as well. I may not be precise
123 but we still use them to know the direction we are going.

Interview I (Expert)

Title: Marketing and Communication Context of the Future

Format: Phone-Interview with audio recording

Company: A leading Swiss marketing and communication agency

Interviewee: Managing Partner with >30 years of experience in B2B service marketing as well as numerous insights to construction service companies.

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 20.03.2017, 14.00, phone

Duration: 45min

Language: German (transcript translated by interviewee)

1 *How did the marketing and communication activities in the B2B service context evolve in the last five*
2 *years?*

3 The most important change is that the web got more and more important and as well the whole
4 mobile market. In this regards, the access to information did change quite a bit, people are searching
5 differently for information than before for example with Google and this does as well affect the think-
6 ing and acting in the B2B market.

7 *What is are the current trends in marketing and communication strategy in B2B service companies?*

8 Generally speaking, the strategies haven't changed that much. The processes are the same with the
9 famous AIDA formula (attention, interest, desire, act), which is still valid today. However, the instru-
10 ments to achieve this have changed, are often digital. As well our B2B clients strive to enter more
11 the digital world. Often, companies think they have huge potential and can get less expensive in
12 touch with their target group. Many companies have very limited resources and try to use them most
13 efficiently as well with digital instruments.

14 *You already mentioned that the current digital trend. Can you mention other instruments which are*
15 *very common today?*

16 There was no other huge trend. However, within the digital marketing and communication there is a
17 trend for social media or other instruments to get closer to the client. For example with Xing and
18 LinkedIn, which are new platforms and offer the opportunity to present the company and get in touch
19 with the target group.

20 *You did mention before that one reason for the upcoming digital trend are as well the limited re-*
21 *sources. Generally speaking, do you think that the marketing and communication budget of B2B*
22 *service companies did increase or decrease in the last years?*

23 According to the statistics, they did not decrease. However, a shift in the allocation of instrument did
24 take place. If they are increasing or decreasing, I cannot really judge due to the fact that we as an
25 agency are only working with the ones that have need and want to reach a goal and have the re-
26 sources for that available. What I did sense is that companies want to have more for the same
27 amount of money. Often, they think with digital marketing and communication they get more for less
28 expenses and have a pretended transparency. It can be measured how many views something got
29 and so on, but in my opinion this is often a pseudo measurement. Many are cherish about these
30 measurements, but in the end they have to be in a relation. If you got 500 clicks, what does that
31 mean exactly?

32 *Let's go to the future: In your opinion, how will the B2B service marketing and communication context*
33 *develop and change in the next 12 months?*

34 I believe that the digital trend will be ongoing and that digital instruments will be used more and more
35 again. I could think about new instruments, which are possible with the digital technology such as
36 webinars for example. Other than that I do not have a specific instrument to mention but I think there
37 will be now forms of communicating. I can also imagine that the website gets another characteristic.
38 If we look back, at the beginning, websites were often kind of shop window. Today, many are kind
39 of showing of all the products or services one has to offer. I would say in the future, website are
40 better targeted to the specific target group, that different user get to see another website, for example
41 that the usage of landing pages will be crucial.

42 *Do you see kind of a customization of the website?*

43 Well I would not say a personal customization, but that the webpage should be adapted to the dif-
44 ferent target groups for example with landing pages. The ultimate aim should be to communicate as
45 efficient as possible. Another thing to mention is that I believe that the whole filtering mechanisms
46 will increase big time. I guess that we all will have filters that filter what is relevant for me and what
47 isn't. That will change the communication because it has to be less blah blah and more fact oriented,
48 therefore more relevant.

49 *In your opinion, how will the B2B service marketing and communication context develop and change*
50 *in the next 5 years?*

There is a quote from Churchill where he stated that prediction is difficult, especially of the future. I think that the relevance for the respective target group is of key importance. For example within that we have to try within communities. So if you would have an innovative product, you have to place and discuss that knowhow within a group of peers in order to spread that product within a community. I believe that such communities, which are kind of a circle of people interested in specific topics, are evolving. Google is already trying to foster this, but it did not work very successfully so far. I would say another opportunity for such communities are specialists or professional associations, where like-minded people could meet and discuss relevant information. Or as well on LinkedIn are groups and I would say that they get way more important because they seem to be more trustworthy compared to anonym spread information. And I would say that such communities will become more relevant in the future for the B2B industry. Another thing I could imagine is that one has to focus as well on real life, face2face contacts which are in the B2B industry usually fairs. But as well mini-roadshows or similar activities that foster face2face contact will gain importance. Even with the development of the digital instruments, the personal contact will keep its importance. I would say it is important that one is present at specific and relevant fairs in order to do that. It should not be like a watering can, where you try to communicate with the mass, it will be better to invest in the relevant targets. This is important because in the digital age we have an overload of information. This again will lead to filters, that sort out all irrelevant information in order to let us only read relevant information for us and with trusted relationships or contacts, this filter can be bypassed. These filter will be an upcoming IT service in the future, which have to be intelligent. I expect them to be like a spam filter in today email programs but in the future the filter will be overall. The main problem will be that due to the overload of information, you will not have the time to sort out the irrelevant by yourself. Another point I expect in the future is that alliances will be more common than today. That I use an existing supplier in the industry for selling my products tough him and get access to companies where I would not have access as an individual. These are kind of cross sales, where one company sells something and let the buyer know that the other product form the company which are in their alliance would be a great choice to complement the first product. This could either be a win-win for both companies or one pays another for their supplier usage. Another point is the privacy and data protection. Nobody really know how this will develop. I think next week there is a new law discussed in Bern and if the new law gets through how it is anticipated, then we won't be able to address individuals for marketing. Depending on this new law, the future will also change for marketing and communication.

Do you have vision regarding trends or challenges in the B2B service marketing and communication context within the next 10 years?

I guess, the three main pillars (instruments) will be still existing and relevant. Which are digital, print and face2face or personal contact for example at fairs. I am convinced that as well the print are still important, maybe in another form. I can imagine that specialist journals would be more entertaining for example. All three will be still relevant, even in 10 years. Other than that, it is very difficult for me to forecast any development. How artificial intelligence or industry 4.0 will change marketing and communication is very difficult to imagine. It is possible that there are whole new business models as well in marketing and communication or the construction service industry in general like Uber or AirBnB did revolutionize their industries. Therefore it is very hard to forecast that.

Imagine you would work in a B2B service company and would have full decision power regarding the marketing and communication budget, where would you invest more in the future and where would you decrease the budget?

I would invest a lot in web, SEO and within the web as well a lot for content. My goal would be that the website is really showing what we are able to do with our services. It will be a clear focus and not just something we need to have too. I would invest as well in the relationship management of my key clients, which I think is very important. I mean 20 years ago, in B2B were like 90% of business done with sales representatives. But I think the relevant clients still need to be handled personally, therefore they are called key accounts. The third point I would invest a lot is in the visibility of the brand. I have to be present at the market, I need to be present at the relevant points to reach my target group, even when it is only with my brand. The brand needs to be top of mind at the most important target groups.

Where would you invest less in the future?

Clearly, I would rigorous all adds, sponsoring and similar expenses where we based on goodwill spend money like a watering can. Because this is not relevant and therefore not part of the aim or strategy. The instruments need to correspond to certain results that we are expecting, which not always have to be turnover, they can also be image or reputation goals. But it should not be based on goodwill without an achievement of objections. And I am convinced that often around 10% of the budget could be cut with that. Other than that, I believe that the priority setting is getting more important too. This sounds simple but is important. The opportunities and range of possible instruments are increasing, therefore we need to set priorities.

You did already mention the so called pseudo measurement of digital instruments. It is generally a challenge to measure the success of marketing and communication in the industry. How can marketing and communication in the service industry concrete increase the business performance?

116 This is a very basic problem, which does exist as long as marketing does exist.

117 *Do you know any best practice example where the business performance of a B2B service company*
118 *was increased by marketing and communication?*

119 Yes we did have them, of course. But these examples are more often in the B2C industry. However,
120 the most important point to mention here is that you have to measure it before and after the activity.
121 If you don't do that you cannot compare it. You might get a number but it is irrelevant if you cannot
122 put it in a context. Best practise is therefore, and this cannot be done differently, the measurement
123 before and after. And B2B is often way more complex regarding the target group compared to B2C,
124 furthermore, the marketing and communication budgets are often smaller. Therefore, companies are
125 not willing to spend money on the measurement very often. In the end, and that is important, the
126 measurement is nearly always relative. It is really depending on how you do measure it. Often it is
127 simply relative, for example with digital activities, when I see I got 500 views or clicks, what he really
128 read and saw at the end is unknown. It seems to be relevant because it is a number or fact, but it
129 still is relative in the context. It is not more than an indicator.

130 *You did mention before that the B2B industry is often more complex. In the construction service*
131 *industry, tender processes are quite common too. Do you have experience with them?*

132 Yes. We did have a look on the customer journey. It is important to know how the process works,
133 who is involved and who decides. You have to know the relevant touch-points.

134 *Do you have a vision of these processes could develop in the future?*

135 We did a questionnaire in the construction industry, and the result was that the documentation was
136 nearly irrelevant. It is all about contacts. If you know someone, I do simply call that person. If you
137 don't know someone, I google for the address. Then there are as well soft-factors such as memories
138 of a fair and so on. I believe in the B2B service, contacts are of key importance. Therefore, events
139 such as fairs and tradeshow, roadshows and so on are as well important. Furthermore, it is often
140 easier to explain a complex service in person than in a brochure or on the web.

141 *Thank you. Do you have any other relevant inputs for my research project?*

142 Yes, I would like to add the importance of mobile devices in the far future. They will be the most
143 important communication tool. I believe that instruments as the website and e-mails will be change
144 quite a lot and that for example chat will become a thing as well in the B2B industry. Instead of long
145 emails with dear Mr something, a short, relevant and efficient discussion can be made via chat. Kind
146 of similar to whatsapp, something like a group of peers which I am close to and are trustworthy,

147 where I want to communicate fast. In the future, the decision if a contact is important for me or not
148 will be very important. If he or she is relevant, I will let them come close to me and interact fast in
149 chats. I will be in communities of relevant topics in my business because there I can trust the infor-
150 mation.

Interview II (Expert)

Title: Marketing and Communication Context of the Future

Format: Phone-Interview with audio recording

Company: US based marketing and communication agency for AEC and other professional services industries

Interviewee: Co-founder and principal with >20 years of experience in AEC marketing and communication

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 13.04.2017, 16.00, phone

Duration: 30min

Language: English

1 *How did marketing and communication in the AEC industry, in particular engineering and planning,*
2 *change and evolve in the past five years?*

3 I think it has changed fairly dramatically, especially in relation to other industries. And I think that that
4 has to do with the fact that the AEC industry was sort of behind the time significantly so there are
5 trying to catch up now. So we can see some significant movement in that regard right now.

6 *What are the current trends in marketing and communication strategy in AEC industry? What is*
7 *the aim that companies want to achieve with marketing and communication?*

8 Well I think from my point of view, AEC firms are becoming more and more in tune with branding.
9 The understanding for the importance for branding is rising. And branding is something that other
10 industries, in particular in B2C really had a grasp on. But I think service providers are really starting
11 to understand that having a good brand is a significant factor, that they need to have a loyal customer
12 base and that also advancing over the competition is important. So that is what we see, a greater
13 understanding. We are seeing senior management and AEC business owners asking more ques-
14 tions about the brand, so they know that a brand is more than a logo and they are starting to educate
15 themselves how they can build a more memorable and viable brand. We are also seeing more inter-
16 est in marketing technologies, different forms of marketing technologies. From basic things such as
17 a CRM and now more advanced websites. In the past, websites were very oft kind of brochure ware

und nowadays, they are way more attractively. So content marketing is another major point. Becoming though leaders in terms of content marketing is very important today, for example as well with the help of social media and other forms of the web. They are starting to invest more into that.

Let's go to the future: In your opinion, how will the AEC industry marketing and communication context develop and change in the next 12 months?

Well two things that spring to mind right away, we are seeing more interest in and get asked more questions and implement them more often. First of all, the usage of video. There are a number of reasons for that. It can help people graft a brand. For SEO purposes, Video is quite helpful. And as well for recruiting, video can be very helpful. And at least in the states here in the Boston area, in particular engineering firms but as well construction and architecture, recruiting has become a hot topic. We just cannot find enough people to fill the positions right now, which are open. So competing for young talent people right out of school as well as more senior people has become very important to a lot of firms we work with and video can help here tremendously. Then we are starting to see more interest in marketing automation, no one of our client has really done that yet, but we recognize more interest. And there are coming out new tools almost every day that supports marketing automation. We had a lot of questions around that and how that can be integrated to a website and similar. That will be coming too relevant in the next year.

In your opinion, how will the AEC industry marketing and communication context develop and change in the next 5 years?

Well that is hard. I wish I had a crystal ball (smiles). One thing, of course, there is artificial intelligence and you know, sort of 3D-viewing, and I am curious how that will become important in the AEC industry. Virtual reality sort of walk-through. So I am sure that this will become more important in the next years. In terms of marketing that means that we could add that to website or who knows what potential these technologies offers. So technological progress will be of key importance for the development of marketing and communication.

Do you have vision regarding trends or challenges in the AEC marketing and communication within the next 10 years?

Well, that's a tough one. I am hoping, that in terms of how the marketing role is viewed will be changed. We have seen that in other professional service firms, the role of marketing within the organization has evolved, has gained more power. Numerous law firms, especially the larger ones taking on the role of a CMO (chief marketing officer), giving the marketing role more credibility. They begin to understand that it is not sort of something that anyone can do, which was quite common a

few years back. We didn't see any marketing people in small and midsize AEC firms and even larger ones. Now they got aware that it is way more important and that you cannot just hand it off to an admin person or the secretary of staff which they can do in their spare time. It has to be a trained person or a team, depending on the size of the firm, this is really necessary. Often times in AEC firms, the budget isn't necessary there – they don't have what they should be spending on marketing. Hopefully, as time evolves, this is going to improve as well so that they have more funds for marketing to do the kind of campaigns and analysis and research work and planning to help grow the business in a long term perspective.

So if you compare the AEC firms to other professional selling firms, is the marketing and communication budget in general smaller?

Uhm, it's hard for me to know that because I am not always given that information, as much as I would love it. But you know, we are seeing in law firms that if they allocate like 3% they consider that to be significant. As you know, in comparison to other industries, this is still quite low. I don't know where AEC firms are in terms of the average marketing budget. If you have that information I would like to have it, but I haven't found this information anywhere. My guess would be that it is about the same, depending again on the firms, but it is still significantly lower compared to many other industries, in particular compared to the B2C industry.

If we talk a little bit more about the marketing budget. How should AEC firms allocate their marketing and communication budgets in the future? Where would you invest more in the future and where would you decrease the budget?

I would not say decreasing. In general, you know, it has to be increased. But how that money is spent is really unique for each firm so I wouldn't want to say a statement that x percentage needs to be spent here or there. So let's say, if someone has not done anything for their website in the last 10 years, they crucially need to invest in that, so that would be an increase of budget in a given year. But I think in general, they need to be investing in building brand however it works best for them. If it means doing more thought leadership in terms of writing or content, getting educational programs started, whether they are webinars or on site educational events where they could prove themselves as thought leaders and invite the community in. We don't see a lot of them but I think it would be a good opportunity where AEC firms could benefit a lot. What we have seen in other industries, some of our law firms and financial advisers are doing that, are lunch'n'learns or breakfast seminars. But I don't see a heck of a lot for AEC firms. They do educate their staff to meet criteria for certification and so on. One company even does offer classes, where people pay to attend.

82 *I would like to ask you as well why marketing is so important in the AEC industry. How can the*
83 *business performance be improved with the help of marketing and communication?*

84 Sure, I think we all know that marketing and sales go hand in hand. And usually it is very difficult to
85 do one well without the other. If you have sales people that aren't supported with strong marketing
86 and strong branding, it's much more difficult for those to do their job. Therefore, the firms that are
87 investing in marketing, I strongly believe, and this is as well proven with data, that this is going to
88 help drive the sales. It helps to improve their bottom line. And in other aspects too, it helps in terms
89 of recruiting, in getting the best people on board to work with them, which is in every service firm
90 essential. I mean in every service firm it's all about the people, the people are your product. So if
91 you don't have the best working for you, you'll have a hard time competing. It's very related and highly
92 integrated, you cannot have one without the other.

93 *You did mention before that the sales are crucial in the business. In the AEC industry, tender pro-*
94 *cesses are quite common in order to get orders. Do you – as a consultant - have experience with*
95 *them?*

96 I'm not highly involved with that, the closest we have come is that we understand that often times
97 the marketing department or a part of it are often times involved in response to this RMP, business
98 proposals and certifications and all this kind of things. We did recognize that this takes an extreme
99 amount of time, many companies have now people on board and that is what they do day in and day
100 out. Putting these proposals and qualification packages together. Preparing their sales people for
101 the pitches. The closest that we have come is that we have helped one client develop really attractive
102 templates with Adobe InDesign, so that what they can produce can be produced more efficiently and
103 looks way more beautiful. These proposals are looking like magazines instead of word documents
104 with bullet points, so it is much more design oriented.

105 *Do you have a vision how these processes could develop in the future?*

106 You know I really wouldn't want to speak about that since it is not my expertise.

107 *Okay, so I would like to spend one more minute on the answer where you talked about artificial*
108 *intelligence, virtual reality and so on. How could these techniques be implemented in AEC marketing*
109 *and communication in the future?*

110 That's a hard one you know, I think now it just seems to be the hot thing that people are playing with.
111 The new way that is out there. Whether it does catch on and will be integrated in marketing is, I
112 guess, to be seen. But you know it might be something that I could imagine somewhere down the
113 road, that it could be integrated to the websites or maybe it is an app or become some kind of a tool

114 which they are using to help to sell their services. For example in pitches, to show projects and get
115 people more engaged. I am not really sure, but I could see potential possibilities.

116 *Thank you. Do you have any other relevant inputs for my research project?*

117 No, I think we have covered all of it.

Interview III (Expert)

Title: Marketing and Communication Context of the Future

Format: Written interview per e-mail

Company: US based professional service marketing and communication agency focusing solely on AEC companies

Interviewee: Founder and principal with >15 years of experience in AEC marketing and communication.

Interviewer: Silvan Duss, Student, FHNW

Time: 17.04.2017

Language: English

1 *How did marketing and communication in the AEC industry, in particular engineering and planning,*
2 *change and evolve in the past five years?*

3 I have experienced firm's becoming increasingly comfortable with outsourcing marketing/communi-
4 cations activities, including graphic design, proposal preparation, strategic planning, and website
5 development. Many firms were forced to downsize their in-house staff and still have needs for on-
6 going or specialized consulting services to supplement their resources. I have also seen a lot of start-
7 up companies recognizing the importance of a strong first impression and hiring professional mar-
8 keting/design firms to help with brand identity (logo, stationery, print materials, website, etc.) so that
9 they avoid being perceived as a "small firm". I have seen a shift in embracing a more personal voice
10 with newsletters, blogs, and even sections of the company website dedicated to culture.

11 *What are the current marketing and communication strategies in the AEC industry?*

12 There is a strong emphasis on digital communications with websites, e-mail marketing, blogging,
13 social media, etc. however I see a lot of firms thinking they need to do this... but not having the
14 resources or dedication to truly implement something effective and consistent. I still see the need for
15 strong printed material including brochures, flyers, direct mail, display banners, etc. Firms are often
16 marketing at industry networking events and trade shows.

17 *With which marketing and communication instruments/activities are these strategies implemented?*

18 Website, online portfolio, blog, professional photography, email marketing platforms, social networks
19 (primarily LinkedIn, Twitter, Instagram, Facebook), video sharing platforms (Vimeo, YouTube),
20 printed brochures/collateral.

21 *In your opinion, how will the marketing and communication context (strategies as well as instru-*
22 *ments) in the AEC industry develop in the future? How will marketing and communication change*
23 *within the next 12 months?*

24 I don't see things changing much in the next 12 months... I expect there will still be a need for both
25 digital and printed marketing communications; firms will continue to struggle with the ability to do
26 proactive marketing with reactive marketing (ie: RFP deadlines) always seeming to present obsta-
27 cles to implementing strategies.

28 *How will marketing and communication change within the next 5 years?*

29 Digital viewed as more important than printed marketing communications; firms embracing the con-
30 cept that their website as more than just an "online brochure"; continued experimentation of blogging
31 and social media to determine value; proactive marketing projects will begin to be viewed higher on
32 the priority scale.

33 *How will marketing and communication change within the next 10 years?*

34 Print becoming obsolete; websites being used for external as well as internal communications –
35 tracking marketing, sales, operations, human resources, etc.; stronger focus on blogging and social
36 media despite firm size – and need to have someone to manage this either on a consulting basis or
37 in-house; proactive and reactive marketing will have the same sense of priority.

38 *How should the decision-makers of AEC companies allocate the marketing budgets in the future?*

39 I really believe this question is very company-specific; hard to make a standard response. Generally
40 speaking, I would say increase budget in the areas of strategic marketing/planning and decrease
41 budget in the areas of "doing things just because we have always done it that way".

42 *Where to increase budget?*

43 Strategic marketing, website, marketing "infrastructure" that makes you more efficient

44 *Where to decrease budget?*

45 Traditional advertising, trade shows (?), sponsorships (?), RFP pursuits for jobs the firm is not qual-
46 ified to bid

47 *In your opinion, how can companies in the AEC industry increase their business performance with*
48 *marketing and communication?*

49 Recognize the value/importance of internal marketing and communication as it relates to employee
50 satisfaction

51 *How much are you - as an AEC marketing expert - involved in the tender processes of your clients?*

52 Very regularly – it is one of my core service areas (Proposals).

53 *How will these tender processes / acquisition processes change in the future according to your opin-*
54 *ion?*

55 I am not sure that I see the processes changing that much in the future, at least with regard to public
56 procurement of design and construction services.

Interview IV (Expert)

Title: Marketing and Communication Context of the Future

Format: Written interview per e-mail

Company: US based AEC marketing and communication agency

Interviewee: Founder and principal since seven years and additional ten years of experience in marketing and communication positions within AEC companies.

Interviewer: Silvan Duss, Student, FHNW

Time: 18.04.2017

Language: English

1 *How did marketing and communication in the AEC industry, in particular engineering and planning,*
2 *change and evolve in the past five years?*

3 With an improved economy, there is a war for talent. Firms are marketing as much for hiring great
4 people as they are for great projects. My firm, a branding consultancy, was hired two years ago for
5 a large rebranding engagement solely to help my client become more attractive to prospective hires.

6 *What are the current marketing and communication strategies in the AEC industry?*

7 Most firms are reactive. Reacting to RFPs by submitting as many proposals as they can. A minority
8 of leading firms utilize thought leadership (writing and speaking to a specific, targeted audience) to
9 build their brand before a RFP comes out.

10 *With which marketing and communication instruments/activities are these strategies implemented?*

11 This thought leadership becomes content marketing when it is archived on the firm's website, typi-
12 cally in the form of a blog. Social media is used to promote new blog posts. Video is being used
13 increasingly. Same for visual content, like infographics.

14 *In your opinion, how will the marketing and communication context (strategies as well as instru-*
15 *ments) in the AEC industry develop in the future? How will marketing and communication change*
16 *within the next 12 months?*

17 Firms will continue to update their websites to feature responsive design, to incorporate best prac-
18 tices for SEO, and feature People more prominently. Investing in, and leveraging a firm's culture will
19 be used more in marketing.

20 *How will marketing and communication change within the next 5 years?*

21 Digital marketing will continue to evolve. We are already seeing this done by other B2B professional
22 services that are more progressive than AEC, like law and consulting. AEC will start to catch up with
23 more effective content marketing.

24 *How will marketing and communication change within the next 10 years?*

25 Too far out to predict.

26 *How should the decision-makers of AEC companies allocate the marketing budgets in the future?*
27 *Where to increase budget?*

28 Strategic Planning, Content Marketing, Digital Marketing (web, social, email all tied to analytics)

29 *Where to decrease budget?*

30 News (new hires and project wins or completions) that are focused on the firm, rather than focused
31 on problems their clients face, and how to solve them.

32 *In your opinion, how can companies in the AEC industry increase their business performance with*
33 *marketing and communication?*

34 Narrow their focus. Too many firms offer too many services to too many markets. Develop expertise
35 in one, or a few key markets. Google, and all search queries, love specificity. Clients are looking for
36 specific answers/solutions to specific problems they face.

37 *How much are you - as an AEC marketing expert - involved in the tender processes of your clients?*

38 I've never heard this term, "tender process." If you are referring to mergers and acquisitions, my firm,
39 a branding consultancy, is very involved after the M&A has occurred. It often involves rebranding the
40 new firm.

41 *How will these tender processes / acquisition processes change in the future according to your opin-*
42 *ion?*

43 The big will get bigger. Small firms will be rewarded if they are highly specialized.

Interview V (Expert)

Title: Marketing and Communication Context of the Future

Format: Skype-Interview with audio recording

Company: US based AEC (web) marketing and communication agency

Interviewee: Founder and principal with >15 years of experience in AEC marketing and communication.

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 19.04.2017, 15.00, phone

Duration: 35min

Language: English

1 *How did marketing and communication in the AEC industry, in particular engineering and planning,*
2 *change and evolve in the past five years?*

3 That's a good questions. I started right away thinking when you were talking. We have been sort of
4 actively working in this industry primarily in the last 6 years, so if I try to think back to 5 or 6 years
5 ago, you know, when we first attacked the market, we came out with a very content and digital
6 marketing oriented agenda. We were saying that the companies need a publisher in their original
7 point of view, to state actively what is going on in the market. And I would say 5 years ago, the fast
8 majority of firms didn't even know what that meant. They didn't even understand why this would be
9 valuable or why online could potentially connect them with clients. They sort of operated solely in a
10 relationship capacity. The one and only goal was to build relationships and networking, manage
11 community relationships. This was the only perceived path to bring in a new client. In the five year
12 window, we saw that companies didn't even know what content marketing was five years ago and
13 these days, most large and midsize firms and even some smaller firms understanding the concept.
14 And there are numerous people in the companies pushing these. There are many companies having
15 some sort of initiative in this direction going on right now, either trying to publish, they try to take the
16 knowledge of their heads and put it on paper and publish. Most of them are struggling, there are
17 actually very few firms that really knows how to do this. Or it is an agenda item in the strategic
18 planning or similar. You have senior leaders asking their marketing staff in the last few years asking
19 them what it really is. What is thought-leadership marketing, what is content marketing, shouldn't we
20 doing this and so on. They put pressure on their marketing lead, if they have true marketing lead but

21 a lot of them don't. So that's the big shift we have seen in the last few years. From blissfully unaware
22 to curious and make steps in this direction.

23 *I heard you talking a lot about thought leadership and content marketing, are these as well the main*
24 *marketing and communication goals, companies are aiming for today? Are there other major strate-*
25 *gies?*

26 Yes, that's for sure one of the main strategies. The classical strategy for the last 30 years or so is
27 straight up relationship marketing. Just that principle, that partner, that BD person whatever function
28 they have a responsibility for relationship building and networking. A lot of them are doing it through
29 community service. They work hyperlocal, they look inside their local community and identify the
30 clients they really want to work with and giving them time in order to get orders. That's still the major
31 strategy. The emerging strategy is thought leadership in the web.

32 *Let's go to the future: In your opinion, how will the AEC industry marketing and communication con-*
33 *text develop and change in the next 12 months?*

34 I mean the next 12 months, so that's in April 2018. We will see certainly more firms investing in brand
35 building. The economy is good, it looks good for the near future so a lot of companies will as well
36 invest more in their branding. They have to figure out what their message is, because a lot of them
37 don't really know how to articulate what they do, how they do it and why it matters. Most AEC firms'
38 websites are a solution looking for a problem, whereas a better approach is to build a service around
39 a problem. A lot of them recognize that and see that they have to take a step back and get better at
40 articulating who they are, what they do and why it matters. We have seen more of these kind of
41 activities in the last 8 months than I have seen in the past 6 years in total. That's probably what will
42 happen in the next 12 months. Right now are figuring out themselves before they can get out and
43 get more serious about thought leadership and content marketing about client problems.

44 *In your opinion, how will the AEC industry marketing and communication context develop and*
45 *change in the next 5 years?*

46 Next 5 years: The big thing coming is that massive client side retirement. In Europe I don't know the
47 numbers but in the US it is something like 5000 senior executives retire every single day. So we are
48 going through a massive transition on the client side, and in these firms themselves where the buyers
49 were now all of this so called baby boomer generation, this folks are basically all going to be retired
50 in the next 10 years. Therefore, senior positions in all kind of federal, state and municipal level as
51 well as private companies are going to roll over. And the new guys are all from generation X, and
52 these are the guys that growth up with the rise of the commercial internet. So basically, the behaviour

of those buyers is completely different. Number one, they are way more digital savvy. They are much more comfortable finding and hiring a firm online than their previous seniors. And frankly, they are as well more predisposed in hiring expertise. They are not interested in hanging around and playing golf on the weekends, having dinner and drinks with their buddies at night, they have more precious on their time, they have more interest in I want as a matter of fact a true expert on this project. They ask who the demonstrated expert who can solve the problem is. So there are a little bit less local and a little bit more expert driven. They are willing to pull an expert in from across geographies, if they feel it is worth it. More than so than their previous seniors, the baby boomers were hyper local and all about building their communities. The X generation is more transit, they have bounced around the whole country, and they see no particular reason to a specific demographic. On the way to work today I heard a guy, a software start-up in Minneapolis. He basically flew from the Silicon Valley because he likes the characteristics of what is in Minneapolis. There are basically many Gen X leaders who are willing to grab the firms and the experts anywhere.

So there is a different mindset of decision makers on the client side, but in the AEC companies as well?

Yes, so what you will going to see is that these two will meet. The AEC company leaders will recognize that the new generations of clients do value expertise more than proximity, holy crap, they better get better at thought leadership, mining their knowledge and knowing what it really is what the know and do. And how they will point that out. I mean that is not true for everything, there is a certain scale of projects that will meet these requirements and you need a certain complexity for that. You won't going to reach outside your local geography to build a small project. There are going to be different flavors of projects. For larger and more complex project, you are going to see a mix of experts from different geographies teaming up with local partners. That's just going to be more common.

Do you have vision regarding trends or challenges in the AEC marketing and communication within the next 10 years?

Well so ten years is a pretty crazy time horizon but the biggest challenge that this industry is going to face in the next 10 years, by 2027, the economic headwinds related to increased taxes, massive entitlement pretty much all over western Europe and America, are going to potentially force us in a massive recession or depression in the 1930's scale. So we are facing massive economic headwinds, they are going to completely change the economy as we know it. That is a conjunction, but I guess it is true. If you are going to end up as one of the experts, that has build up their knowledge and expertise over 10 years, which have become experts in very specific domains, these folks are going the be able to hold the ground and will be successful. Everybody else is going to be grouped

86 in a massive fight over orders. So this hyperlocal firms will get hammered exactly how they did be-
87 tween 2009 and 2011 in the great recession but this will be way bigger \\\ okay \\\ they are going to
88 get crushed. You will see firms failing. Like that is probably the big long term thing, You get this
89 massive changes in the market. You need to build ground now to develop as an expert in order to
90 secure your margins and your fees in the future or you risk to face a significant event that is going
91 to force your firm close to failure. Unless you are the low cost provider, there can only be one low
92 cost provider besides the experts.

93 *So according to you, the number one thing to do is thought leadership in order be successful in the*
94 *harsh future?*

95 Yea, that is not what people do want to hear, but it is the true. There is no evidence in sight that
96 governmental leaders in the US or western Europe are capable of stopping the damage that is goint
97 to happen. If you read good economics this is pretty much where this leads. In the US we have
98 massive infrastructure needs and we try to fund them, but we don't have the revenue to fund them
99 so what are we doing. There is a gap. There are massive external forces that are going to change
100 the markets. I don't know how many firms have that on the radar. I am sure the mega-firms do, as
101 well the large ones with smart people but a lot of smaller and medium sized firms probably don't. Or
102 when they do have it on the radar they don't really have a deal with that complex situation.

103 *Let's have a look on the marketing and communication budget. How should AEC firms allocate their*
104 *marketing and communication budgets in the future? Where would you invest more in the future and*
105 *where would you decrease the budget?*

106 Well I think where they absolutely have to invest in marketing leaders, in marketing thinkers. Or
107 marketing leaders are coming to the marketing and show that there is a demand for this practise. It
108 is not about the next project, but it is about building a sustainable flow of opportunities in a certain
109 industry category or discipline. They have to basically invest more into people that know how to do
110 that. And they probably have to bail down their traditional sales functions. Then they have to dial up
111 their digital marketing, hire people that understand searches and how you can optimize it, that un-
112 derstand e-mail marketing and how it works, that understands marketing technologies. There is a
113 massive underuse of marketing automation and other technologies platforms that could create a
114 tremendous amount of value for these practices. They really have to create these resources. In-
115 crease demand building skills and decrease other sales skills. I don't say they shouldn't get more
116 sales people, but they shouldn't invest everything in relationship building, which is what the majority
117 does today. I had a client and he had six business development people working in different catego-
118 rizes. And I just suggested that he would drop one of those guys and invest this 150 grand in thought

119 leadership and marketing technologies. They couldn't do it because it is too scary but that is probably
120 what needs to happen. Creating future demand with digital marketing. Most firms don't really under-
121 stand marketing in practise. Marketing is a support function to sales, it's a proposal machine. Half
122 the time, marketing does roll up to the HR function. Some kind of shared services group, HR, IT and
123 marketing. And they don't have marketing leaders. They need to get higher up in the management
124 with marketing leaders. You would never see a McKinsey or any other consulting marketing position
125 with a sole support function. They have senior marketing leaders that know how to build demand.
126 That's what these AEC firms completely lack.

127 *So it is a more reactive than proactive way of doing marketing?*

128 You know how to generate a bit more revenue for the project today, but they don't know how to foster
129 demand for projects in three years or whatever their time horizons are. Larger firms, I mean there
130 are sometimes projects where the bidding phase takes up two years or more. So you got a have a
131 lot of patience to navigate through that.

132 *You did mention before that the support function of marketing. In the AEC industry, acquisition*
133 *processes such as tender processes are quite common in order to get orders. Do you – as a con-*
134 *sultant - have experience with them?*

135 We are not at all. So I do know very little about that. I do know that there are quite frequently legal
136 requirements such as when I want to do engineering services in a particular city you need to have a
137 physically need to have an office in this city. So you know, my whole story with expert vs. local, I
138 don't know if that is going to change. I don't think so. There is still this kind of mindset that we should
139 be taking tax dollars and funneling it back in the community. That sometimes isn't helping us that
140 much. It is hard to say, if that perception is going to change over time. Probably not that much. Hard
141 to say. I don't know. I once had a discussion about one school project going on at our community
142 and my mum, she could not understand why we have to get out of Columbus for this work. And that
143 bothered her, but I was bothered because we weren't at first. Why are we looking at this local firms
144 that quite frankly do not know anything about doing this, we have to get true experts. So that's the
145 generational transition that is going to happen. Are there more such thinkers in Gen X? I think there
146 are. But we will see I guess.

147 *You already stated the importance of marketing and communication in the AEC industry. But do you*
148 *have any specific examples where marketing really worked out well?*

149 Yeah I mean, the best suggestion I would have on my front is, on my website is an e-book that I
150 wrote, if you download that e-book on page three I have four or five specific examples of firms that

151 have made investments in research or content, thought leadership and specific outcomes based on
152 that. You have quotes from the respectively senior marketers. Out of the blue I cannot give you an
153 example, I cannot really remember.

154 Statement 1: "The last two years have been two of the best in our firm's history. I attribute it
155 directly to our knowledge sharing efforts."

156 Statement 2: "Our daily blogs drive 10% of our web traffic. The website generates 15 to 20
157 solid business inquiries per week."

158 Statement 3: "In the first 14 months our new website traffic went up exponentially. We are
159 receiving inbound requests for new business, for calls, for articles. To my pleasant surprise,
160 the quality of the requests has been very high."

161 Statement 4: "It's difficult to measure. But, clients are definitely seeking us out specifically for
162 our expertise and our research rather than us digging under rocks to find them."

163 *Thank you. Do you have any other relevant inputs for my research project?*

164 No, not really. This was actually interesting and got me thinking for some future castings, put me on
165 some spots I didn't really thought about.

Interview 1 (Client)

Title: Marketing and Communication Context of the Future

Format: Phone-Interview with audio recording

Company: Client 1, a railway company in Switzerland

Interviewee: Head of infrastructure

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 07.04.2017, 08.15, phone

Duration: 30min

Language: German (transcript translated by interviewee)

1 *As a professional buyer, which kind of marketing and communication instruments are helpful for you,*
2 *which ones do you appreciate the most?*

3 As a buyer. Well. The most important thing in our industry are contacts and relationships, facts about
4 services and material so that we can get an objective as possible information. But a lot is based on
5 relationships. Mouth to mouth communication. And these relationships have to be maintained, reg-
6 ular discussions should take place at forums or meetings. These are the most important source for
7 our information.

8 *Relationships are important. Do you also keep in touch digitally for example through social media or*
9 *are these relationship mostly offline?*

10 In our company, face to face is clearly the most important. And these relationships are not with the
11 supplier (the construction service companies) but within the industry in general. It is crucial to discuss
12 with our competitors, with other potential clients of our suppliers. We are all kind of partners in the
13 public transport industry and we work closely with our partners.

14 *Let's look into the future. In your opinion, how will marketing and communication of construction*
15 *service industry develop and change in the future? How will your needs develop and change? Do*
16 *you see changes that could take place within the next 12 months?*

17 I think within that short period of time we will not see much changes. This is a subtle and slow
18 process. I would say it is similar to the labor market: Earlier it was a major part in the newspaper.
19 Today, you might find one or two vacancies after the sport or somewhere, but there was a huge shift.
20 And changes in our industry are too very subtle and slow. The job market does focus on the media

the target group is consuming. Earlier it was a specialist journal, today it is an online specialist journal for example. The whole digitalization and the move towards a paperless office will continue. But as long as I don't have a direct access or link to the information I need, the internet is not that useful for me. To find something relevant through a google search in our industry is still an exception. But I can imagine that based on personal relationships or based on targeted marketing activities, I could get direct access to relevant information. Because otherwise I do have an overload of information and lose much time until I find the relevant stuff. But the advantage of the internet is that it is very much up to date and communication can be done very fast and direct. It is as well a good tool to have a look what competitors are doing, but ones have to know exactly for what one is searching. And this information I have to get from a personal relationship.

What kind of changes could appear in the next 5 years?

I can imagine that I will get targeted more directly and way more personalized. As a supplier, the aim has to be that I as a buyer receive qualitative more relevant content. The content I will receive has to be closely related to my exact needs. There won't be that many clients/supplier meetings, which are in fact quite inconvenient. On the other hand, there will be more customized marketing towards us. The ultimate aim should be that we only get information for products or services we truly need. In the end, we should ask ourselves how the supplier even knows that we need that now. But with the technological progress and the analysis of big data, these will be sooner or later possible.

Do you see as well developments that need some more time, changes that will take place within the next 10 years?

I think generally it will continue in this direction. It will be more and more professionalised. But it is very difficult to forecast what will be the case in 10 years. But what I believe is that within 1 year, there won't but that many changes but within 5 to 10 years there will be a lot of changes. In ten years, when we look back, we will recognize that we did a lot of things differently than today. But due to the slow changes we won't recognize that much. But generally speaking, it will be more personalized. However, these changes won't be based on our industry. The B2C marketing will be pushing these boundaries and our suppliers might adapt these techniques over time. To be honest, I don't believe they do it good today. But our whole industry is very passive, there are other industries that are a lot more dynamic. We are not very fast-paced and flexible. We also have projects over several years and our needs are very special. You cannot really generate our needs, either we need to keep a bridge in good condition or we don't. That's a big difference to B2C. Therefore, we cannot be that easily influenced.

53 *If you put yourself in the shoes of one of your suppliers. How should they allocate their marketing*
54 *and communication budget in the future?*

55 I did once work at coca cola and know how much they invested in marketing back then. Generally, I
56 think targeted marketing has a big potential. And our suppliers have to invest more money to improve
57 the targeted marketing. I would invest a massive amount to that. I would even say one does not earn
58 the money with a good solution but with excellent marketing, in order to convince the clients to pur-
59 chase.

60 *What do you understand exactly under the term targeted marketing?*

61 So as a supplier, I have to really know my products first and anticipate how the market will develop.
62 I have to recognize which services have a big potential and which ones don't. And then the supplier
63 has to target their marketing to the services with a good future. The second thing is the personalized
64 and customized marketing towards the individual customer. As a customer, I just need to know who
65 will solve my current problem.

66 *I assume that you use tender processes to assign at least some of your orders. Are there as well*
67 *orders that are given directly to a supplier?*

68 We have clear policies for that (öffentliches Beschaffungswesen), there are clear limits for how or-
69 ders have to be given based on the amount they cost. For huge projects we have to do international
70 tender processes. Smaller orders can be proceeded through inviting several chosen suppliers that
71 we think are the most suitable and very small orders can be given directly. These are the three levels.

72 *Do you have vision how these tender processes will change in the future?*

73 Yes, well, first of all these are for us major projects to organize. In the end, we need to get the best
74 price for the assigned quality. And I have to find a way how I can find this the least effort. Each order
75 we have to assign to a supplier is as well work for us. And there offers the internet a significant
76 potential. Internet auctions could be an option, where the one with the cheapest price that fulfills all
77 the required quality standards does get the order. But still, we have clear policies from the govern-
78 ment regarding the large orders. However, for small orders, this would be an interesting option to
79 make tenders more efficient.

80 *One last question, which is very universal. How can construction service companies increase their*
81 *business performance with the help of marketing and communication?*

82 That's quite difficult to state here a good answer. In particular engineering companies are pretty well
83 known due to their specialized know-how. This information spreads pretty fast. Individual persons,

84 employees of them, which have a certain knowledge are crucial for some orders. So sometimes, one
85 company does get an order just due to the fact that they are the only one with this specialized
86 knowledge, and costs don't play a role anymore. So these key-persons are as well a reason why a
87 company does get many offers. This means that the companies have to market themselves as at-
88 tractive employer. The aim has to be to get the best employees. This is very indirect, but still very
89 crucial. A big player has to get the best employees with the help of labor conditions and home office
90 and modern offices. In the end, it is all about persons, relationship and knowledge.

91 *Thank you, do you have any other inputs that would be relevant for my study?*

92 What we did not cover yet are social media. But I am not active on these at all and therefore I have
93 not the knowledge to judge how these could be used for marketing in the future. But it could be
94 another direct and personalized instrument to get in touch with the target groups.

Interview 2 (Client)

Title: Marketing and Communication Context of the Future

Format: Phone-Interview with audio recording

Company: Client 2, water construction at municipal level in Switzerland

Interviewee: Head of water construction

Interviewer: Silvan Duss, Student, FHNW

Time/Place: 10.04.2017, 14.00, phone

Duration: 20min

Language: German (transcript translated by interviewee)

1 *As a professional buyer, which kind of marketing and communication instruments are helpful for you,*
2 *which ones do you appreciate the most?*

3 Can you give me some examples?

4 *Yes, so a construction service company does communicate somehow with you. They have websites,*
5 *offer publication, organize events or send you e-newsletters for example.*

6 Okay. Well these suppliers we work together are inviting us on a regular base for so called discussion
7 and apéros or to visit a large project which is finalized or similar. I think there it is important to discuss
8 with the people and get relevant information regarding projects one is planning to do too. On the
9 other hand, it is important to see which supplier has which specialists. It is a very knowledge driven
10 industry. Furthermore, the capacities and resources have to be available at a supplier to place an
11 order. We have as well companies that send us many information per mail and e-mail, but these
12 won't be read most of the time. I did recognize that these brochures and newsletter are often very
13 large and contain a lot of information but not the relevant ones. There are too less relevant infor-
14 mation that it would make sense to invest the time to read them. Therefore, most of them will be
15 thrown away or get deleted directly. Nowadays, when I need information I go out and search them
16 online. There is an overproduction of information how is able to do what, but I prefer to personal
17 relationship. And we have these relationship with the suppliers in our region.

18 *Let's look into the future. In your opinion, how will marketing and communication of construction*
19 *service industry develop and change in the future? How will your needs develop and change? Do*
20 *you see changes that could take place within the next 12 months?*

21 I would say to continue pretty much in the same way. I would say that companies will keep inviting
22 their clients to events in order to discuss with them and get to know them better. I don't mean that
23 they will invent customers to dinners or leisure activities but to specialized events. For example to
24 visit a project. There, customers can get in touch with the relevant project manager and get to know
25 their knowledge.

26 *What kind of changes could appear in the next 5 years?*

27 No not really but I think you will know that better. Honestly I have no idea what would be possible in
28 five years,

29 *How about your needs, will they be in 5 years the same than today?*

30 I can imagine that there are new ideas for marketing and communication instruments, maybe based
31 on telecommunication television and radio and as well the web. But to be honest, I did not think
32 about how it could develop in the future yet.

33 *If you put yourself in the shoes of one of your suppliers. How should they allocate their marketing
34 and communication budget in the future?*

35 That's kind of a balancing act. On the one hand, they should not spam their customers with too much
36 information and events and so on, on the other hand it is not useful if you don't talk together over
37 years. It is important to strike the balance. And this will be from supplier to supplier different. But how
38 often is in fact a difficult question I cannot answer.

39 *I assume that you use tender processes to assign at least some of your orders. Are there as well
40 orders that are given directly to a supplier?*

41 We have a rigorous submission policy. In our village, it was a purposely aim that we buy everything
42 possible from within our region or even our village itself. This is in particular true for small orders.
43 For bigger ones, we have to ask several suppliers to bid in order to choose the best one. We have
44 our limit at 75'000 CHF where we have to get several offers in advance. This is due to a decision on
45 the municipal level. The suppliers should be experienced and as well locals. But this is not always
46 easy to have because we don't have all specialists on site.

47 *Do you have vision how these tender processes will change in the future?*

48 In the last years, there were nearly all two years minor changes in the policies. For example that
49 some kind of rocks that are used in construction are produced with child labor, which we are not
50 allowed to support. Then we need to have two signatures to assign orders with an amount of more

51 than 5000 CHF due to security reasons. But in general, our village is very caution regarding these
52 kind of policies.

53 *Thank you, do you have any other inputs that would be relevant for my study?*

54 Not really, no. Or otherwise I will contact you again.

Interview 3 (Client)

Title: Marketing and Communication Context of the Future

Format: Written interview via Google Form

Company: Building department at municipal level in Switzerland

Interviewee: Head of building/construction department

Interviewer: Silvan Duss, Student, FHNW

Language: German (transcript translated by interviewee)

1 *As a professional buyer, which kind of marketing and communication instruments did catch your*
2 *attention over the last five years?*

3 Newsletters and E-mail marketing activities.

4 *As a professional buyer, which kind of marketing and communication instruments are helpful for you,*
5 *which ones do you appreciate the most?*

6 Websites

7 *In your opinion, how will marketing and communication of construction service industry develop and*
8 *change in the next 12 months?*

9 The increase of promotions via e-mail and newsletters will continue.

10 *In your opinion, how will marketing and communication of construction service industry develop and*
11 *change in the next 5 years?*

12 The websites in the professional service industry will collect numerous data very specifically. There
13 will be personalized offers which will be displayed to the clients proactively.

14 *In your opinion, how will marketing and communication of construction service industry develop and*
15 *change in the next 10 years?*

16 The digital interconnectivity will be way bigger. With the help of intelligent computer, specific and
17 customized needs will be discovered in the new digital world. Products and services will evolve ac-
18 cordingly and so will as well the whole communication.

19 *If you put yourself in the shoes of one of your suppliers. How should they allocate their marketing*
20 *and communication budget in the future in order to fulfill your needs better?*

21 This is very difficult to answer for me in my position. It really depends on the size and organization
22 of the service provider (local, regional, national or international supplier).

23 *According to your opinion, how could companies in the construction service industry improve with*
24 *the help of marketing and communication?*

25 Short but interesting e-mails or short newsletter, which make me hungry to dig deeper for more
26 information.

27 *I assume that you use tender processes to assign at least some of your orders. Are there as well*
28 *orders that are given directly to a supplier?*

29 We have to assign our orders strictly according to the cantonal law of submissions. This means that
30 depending on the value, the order can be assigned directly, with an invitation process or with a public
31 tender process.

32 *Do you have vision how these tender processes will change in the future?*

33 If we talk about services, where the personal relationship is very important (consulting and so on),
34 there won't be any changes most likely. Maybe skype-meetings will be used more frequently. Oth-
35 erwise (other than services), tender/offer platforms such as simap will be seen more often.

Interview 4 (Client)

Title: Marketing and Communication Context of the Future

Format: Written interview via Google Form

Company: A railway company in Switzerland

Interviewee: Project manager for infrastructure projects

Interviewer: Silvan Duss, Student, FHNW

Language: German (transcript translated by interviewee)

1 *As a professional buyer, which kind of marketing and communication instruments did catch your*
2 *attention over the last five years?*

3 Personal relationships, network and contacts

4 *As a professional buyer, which kind of marketing and communication instruments are helpful for you,*
5 *which ones do you appreciate the most?*

6 Personal relationships, network and contacts

7 *In your opinion, how will marketing and communication of construction service industry develop and*
8 *change in the next 12 months?*

9 I believe that the marketing and communication activities from engineering and construction compa-
10 nies will rather decrease. An invitation for a lunch is today recognized as corruption way faster than
11 in the past. Larger projects are assigned according to the submission regulations and the decision
12 is solely based on the price – even if the purchaser is not in favor with this procedure.

13 *In your opinion, how will marketing and communication of construction service industry develop and*
14 *change in the next 5 years?*

15 If the solely on price depending submission regulation will still be valid in the same form, marketing
16 and communication will be replaced more and more with lawyers responsible for procurement com-
17 plaints. For us purchaser, this is a very negative development. Placing orders for too low prices
18 results in a bad quality and constant additional claims. The purchaser cannot really influence this
19 process.

20 *In your opinion, how will marketing and communication of construction service industry develop and*
21 *change in the next 10 years?*

22 I truly hope that until in 10 years, the decision and law makers did realize, that the massive pressure
23 on price is not ideal.

24 *If you put yourself in the shoes of one of your suppliers. How should they allocate their marketing
25 and communication budget in the future in order to fulfill your needs better?*

26 Towards public/governmental or mixed (mix of private and public/governmental) organizations, such
27 as us, only minimal marketing activities make sense. Way more important is, that orders for a client
28 are accomplished in the very best way. Furthermore, it has to be secured that the relevant employees
29 and panels of the clients know the company that is applying for a project. Larger projects have to be
30 assigned through a public tender process, therefore marketing and communication is pretty much
31 useless. For smaller projects, which are assigned through the invitation process or even directly, the
32 construction service company has to be known by the relevant employees and panels. In addition,
33 the company needs to have a good reputation for being capable and suitable for the project. For
34 construction companies, public tenders are the norm, engineering companies are still able to get
35 projects directly or through an invitation process.

36 *According to your opinion, how could companies in the construction service industry improve with
37 the help of marketing and communication?*

38 I would say as it is managed today, marketing and communication is good. Often, personal relation-
39 ships are way more important than an anonym marketing.

40 *I assume that you use tender processes to assign at least some of your orders. Are there as well
41 orders that are given directly to a supplier?*

42 Our company has to act according to the cantonal submission regulation. Depending on the project
43 amount, a direct assignment of projects, an assignments through an invitation or with the help of a
44 public tender process is necessary.

45 *Do you have vision how these tender processes will change in the future?*

46 I truly hope that the pressure on the price, which is factual with the public tender processes and
47 which is very negative for the industry, will be changed with updated cantonal regulations.

Interview 5 (Client)

Title: Marketing and Communication Context of the Future

Format: Written interview via Google Form

Company: Civil engineering at a town level in Switzerland

Interviewee: Head of civil engineering department

Interviewer: Silvan Duss, Student, FHNW

Language: German (transcript translated by interviewee)

- 1 *As a professional buyer, which kind of marketing and communication instruments did catch your*
- 2 *attention over the last five years?*
- 3 Coverage in newspapers, radio and TV.
- 4 *As a professional buyer, which kind of marketing and communication instruments are helpful for you,*
- 5 *which ones do you appreciate the most?*
- 6 Personal relationships with the responsible persons/experts in the construction service companies.
- 7 *In your opinion, how will marketing and communication of construction service industry develop and*
- 8 *change in the next 12 months?*
- 9 Personal relationships. Client's demand for quality and an ideal price-performance ratio will increase.
- 10 *In your opinion, how will marketing and communication of construction service industry develop and*
- 11 *change in the next 5 years?*
- 12 Same as in the next 12 months.
- 13 *In your opinion, how will marketing and communication of construction service industry develop and*
- 14 *change in the next 10 years?*
- 15 Same as in the next 12 months.
- 16 *If you put yourself in the shoes of one of your suppliers. How should they allocate their marketing*
- 17 *and communication budget in the future in order to fulfill your needs better?*
- 18 Communication should be more important.

- 19 *According to your opinion, how could companies in the construction service industry improve with*
20 *the help of marketing and communication?*
- 21 With advertising/promotion and personal introductions.
- 22 *I assume that you use tender processes to assign at least some of your orders. Are there as well*
23 *orders that are given directly to a supplier?*
- 24 Yes we have both. The assignment of orders is regulated in the cantonal submission regulation.
- 25 *Do you have vision how these tender processes will change in the future?*
- 26 Our system for suitability and acceptance criteria will be maintained in the long run.
- 27 *Do you have any additional inputs, which could be relevant for my research?*
- 28 For municipal and town administrations, the marketing and communication of construction service
29 companies is not much relevant or even irrelevant.

Interview 6 (Client)

Title: Marketing and Communication Context of the Future

Format: Written interview via Google Form

Company: Client 6, civil engineering at a cantonal level in Switzerland

Interviewee: Head of civil engineering department

Interviewer: Silvan Duss, Student, FHNW

Language: German (transcript translated by interviewee)

1 *As a professional buyer, which kind of marketing and communication instruments did catch your*
2 *attention over the last five years?*

3 The swissbau trade fair and the two industry magazines tec 21 and werk bauen und wohnen.

4 *As a professional buyer, which kind of marketing and communication instruments are helpful for you,*
5 *which ones do you appreciate the most?*

6 *In your opinion, how will marketing and communication of construction service industry develop and*
7 *change in the next 12 months?*

8 In the next 12 months, there will be hardly any changes.

9 *In your opinion, how will marketing and communication of construction service industry develop and*
10 *change in the next 5 years?*

11 Perhaps marketing and communication will be done via BIM.

12 *In your opinion, how will marketing and communication of construction service industry develop and*
13 *change in the next 10 years?*

14 Perhaps marketing and communication will be done via BIM.

15 *If you put yourself in the shoes of one of your suppliers. How should they allocate their marketing*
16 *and communication budget in the future in order to fulfill your needs better?*

17 Invest more in extensive product/service information including technical details.

18 *According to your opinion, how could companies in the construction service industry improve with*
19 *the help of marketing and communication?*

20 For me as a purchaser, a platform with a list of construction service companies would be helpful.
21 Such an industry platform should include information about what projects which company did with
22 which clients and what kind of products and services were part of the projects.

23 *I assume that you use tender processes to assign at least some of your orders. Are there as well*
24 *orders that are given directly to a supplier?*

25 According to the procedure in the public, cantonal submission regulations.

26 *Do you have vision how these tender processes will change in the future?*

27 In the submission regulations won't be any changes in the future.

Coding List

1. M/C development in the past / current state
 - 1.1. Strategy
 - 1.2. Instruments Offline
 - 1.3. Instruments Online
2. M/C development in the future
 - 2.1. Next 12 months
 - 2.2. Next 5 years
 - 2.3. > next 5 years
 - 2.4. (Future – unspecific time)
 - 2.5. Technological progress
3. M/C Budget
 - 3.1. Current M/C budget
 - 3.2. Increase of budget in the future
 - 3.3. Decrease of budget in the future
4. Business Performance with M/C
 - 4.1. Existing/Future offline instruments / best practices
 - 4.2. Existing/Future online instruments / best practices
5. Acquisition / tender process
 - 5.1. Involvement of M/C in tender process
 - 5.2. Current tender process
 - 5.3. Future development of tender process

M/C = marketing and communication