B2B Marketing Risks: Identify, Measure, and Manage

Luciano Lapa

2026 ISBM Members' Meeting

PennState

List of B2B Challenges

- Which would you classify as risk, uncertainty, both, or neither? Why?

PennState

Risk and Uncertainty

- Based on this exercise, how would you define risk and uncertainty?

Risk and Uncertainty over Time

Field	Economics Finance	Engineering Risk Analysis	Management	Risk Analysis Sociology
Risk	Known Probabilities	What could go wrong? What are the consequences?	Effect of uncertainty on objectives	Uncertainty about and severity consequences
Uncertainty	Unknown or unmeasurable probabilities	Likelihood (probability distributions)	Lack of information, understanding, or knowledge	Lack of knowledge
Implication	Reward for taking on risk that cannot be calculated	Scenario based + calculations (e.g., bridge)	Impact on goals > Calculating probabilities	Definition ≠ Measure Risk is in the eye of the beholder
	Knight (1921)	Kaplan and Garrick (1981)	ISO 31000 (2009)	Terje (2016) Society for Risk Analysis

PennState

Risk and Uncertainty over Time

Field

Risk

Uncertaint

Implication

PennState

Knight (1921)

Kaplan and Garrick (1981)

ISO 31000 (2009)

Terje (2016) Society for Risk Analysis

Society for Risk Analysis: Defining Risk

Important

Is it something that you value?

Is there chance of an undesirable scenario?

Is knowledge limited?

Not Important

If you can measure

If you ***should*** measure

If everyone agrees

If the source of uncertainty is known

PennState

Society for Risk Analysis (Glossary)

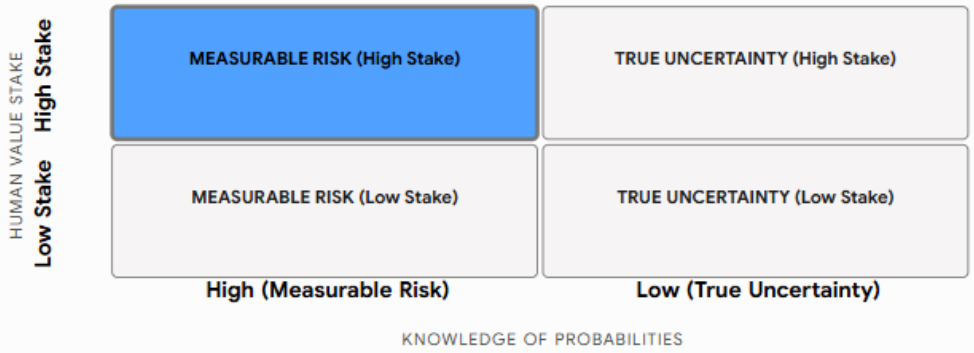
- What value-based risk means:
- 7x definitions of risk
- 6x measurement examples
- 2x definitions of uncertainty
- 6x definitions of uncertainty

PennState


RISK IS WHAT YOU WANT IT TO BE
- Investing 'Everything' on "CHICKEN COIN" (YOLO) | $450 - Confirmed!
AMUSEMENT PARK
ROLLERCOASTER
DANGER: Bungee Jump
CAUTION: RISK
SAFE DELIVERY
FRAGILE
CAKE
CAUTION: RISK
CAUTION
CURB

Risk #1: It will be bad, and we know it

Risk vs. Uncertainty Matrix

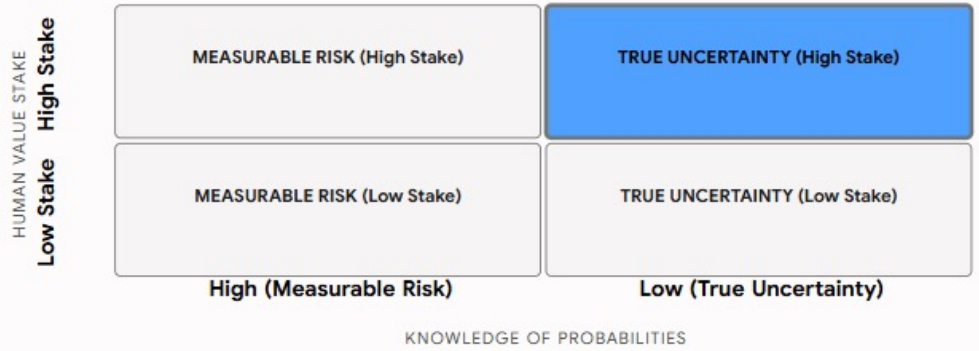


Aspect	MEASURABLE RISK (High Stake)
Situation	High potential impact, but probabilities are well understood (e.g., heavily regulated systems, engineering safety).
Approach	Robust analysis, mitigation, optimizing systems.
Example	Planning safety protocols for a commercial nuclear power plant.

PennState

Risk #1: It could be bad, and but we don’t know it

Risk vs. Uncertainty Matrix



Aspect	TRUE UNCERTAINTY (High Stake)
Situation	Critical impact on society/individual, but probabilities are unknown or highly ambiguous.
Approach	Scenarios, precautionary principle, adaptability, resilience.
Example	Dealing with the initial emergence of a novel pandemic without historical data.

PennState

Not Covered

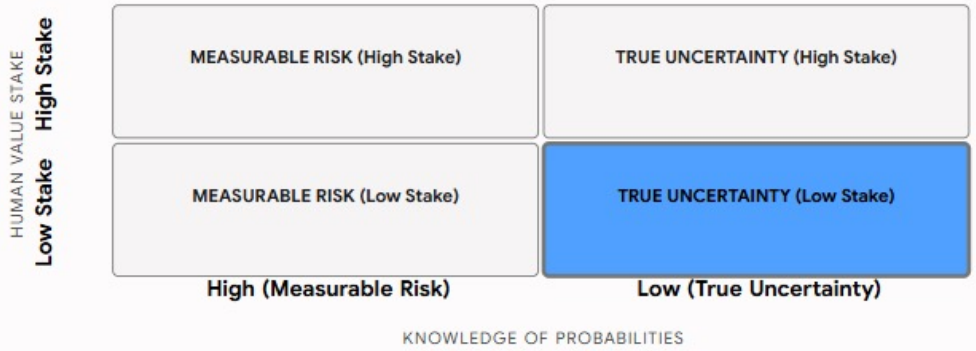
Risk vs. Uncertainty Matrix

Aspect	MEASURABLE RISK (Low Stake)
Situation	Small potential impact, probabilities are known (e.g., standard games of chance with small bets).
Approach	Routine management, individual rational choice.
Example	Making a small bet on a slot machine.

PennState

Not Covered

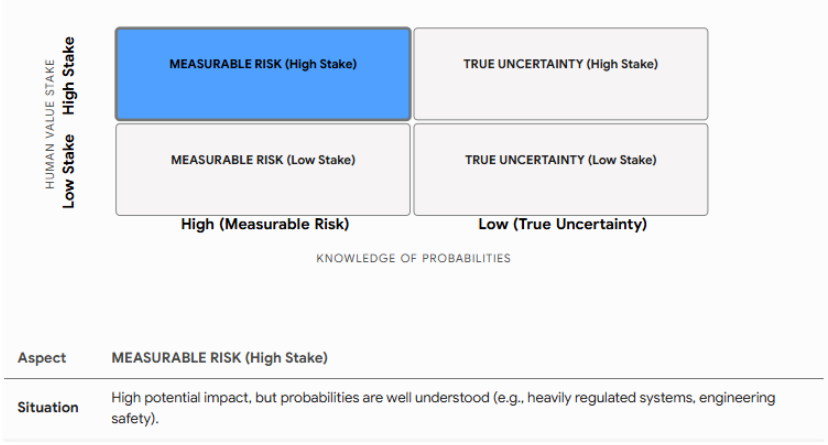
Risk vs. Uncertainty Matrix



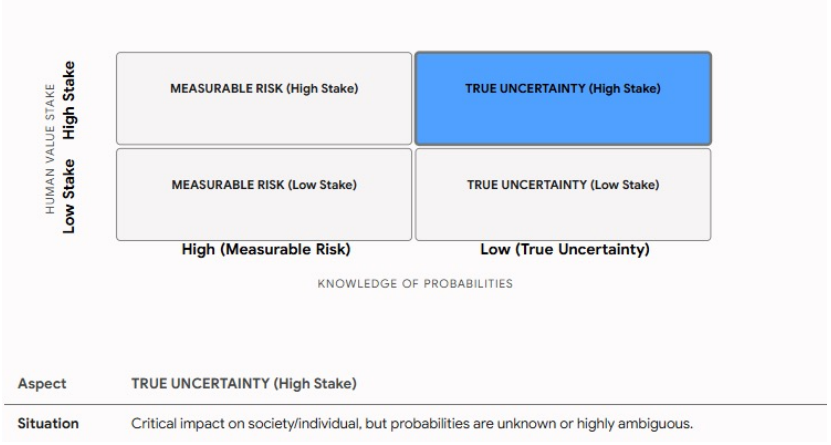
Aspect	TRUE UNCERTAINTY (Low Stake)
Situation	Small potential impact, probabilities are unknown or unmeasurable.
Approach	Exploration, fail-safe experiments, optionality.
Example	Testing a new business idea on a very small scale.

PennState

B2B



Aspect	MEASURABLE RISK (High Stake)
Situation	High potential impact, but probabilities are well understood (e.g., heavily regulated systems, engineering safety).



Aspect	TRUE UNCERTAINTY (High Stake)
Situation	Critical impact on society/individual, but probabilities are unknown or highly ambiguous.

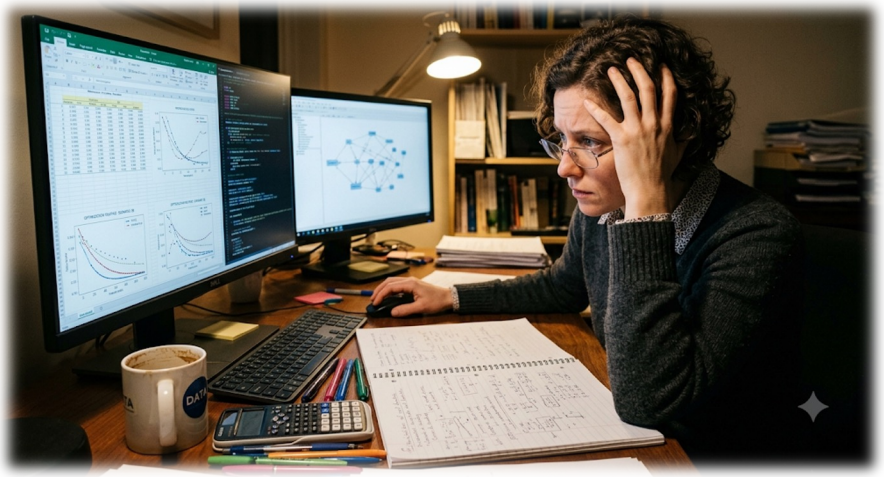
Examples in B2B context

Risks (High Stake)

	Probabilities	Risk Management	Goal	Tools	Common Reactions
Risk #1	Known; Can be estimated	Mitigation: Reduce impact or likelihood	Recovery: Back to normal after impact	Optimization; Robustness; Preemptive change	More: Data Analysis Insurance
Risk #2	Not known; Difficult or impossible to estimate	Adapt: Adjust to context	Resilience: Keep functioning despite risk	Scenarios; Precaution; Reactive and quick change	Better: Information Analysis Research

Common Reactions to High Stake and Low Uncertainty

- Moderate discomfort
- Reward processing
- Calculation, optimization
- Deeper analysis
- Information gathering
- Risk tolerance for outcomes
- Updated as new information is acquired
- Risk analysis helps



PennState

Common Reactions to High Stake and High uncertainty

- Strong discomfort
- Threat processing
- Instinctive, distress response
- Heuristics
- Paralysis
- Limiting “affordable” loss
- Avoidance of unknown, even for valuable potential upsides
- Expertise helps

PennState

Low Uncertainty

High Uncertainty

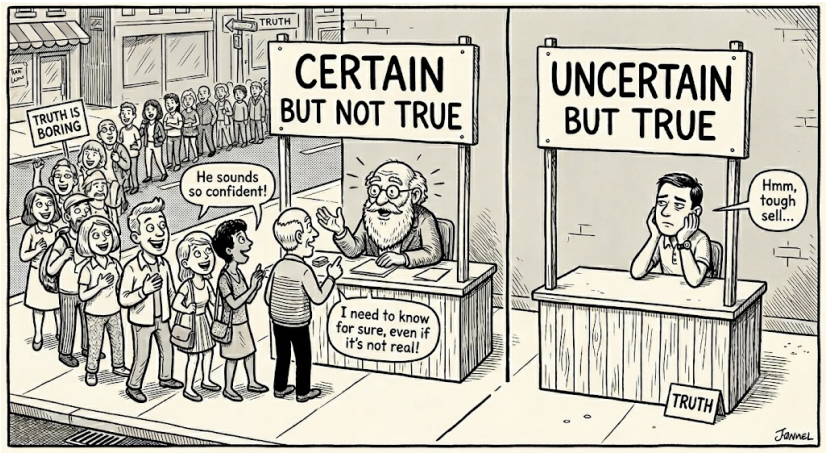
PennState

Self Assessment

- Know your baseline risk tolerance
- Know your baseline uncertainty avoidance
- Update depending on scenario

(Arguably) the biggest challenge with risk analysis

- Risk analysis and management ≠ risk free or certainty
- Embracing risk and uncertainty might be more helpful.



PennState

Risk Management

Work in small groups; Choose one risk

PennState

Risk Management Strategies

Risk Management	Example
Avoid	Cancel a product launch.
Minimize	New suppliers in response to high demand in an area.
Reduce	Multi-factor authentication for access to data.
Transfer	Insurance.
Share	Partnerships.
Retain	Self insurance.
Accept	It is what it is, nothing that we can do about it.
Tolerate	Accept but up to a point, after which action is taken.

PennState

Risk Management Strategies

Risk Management	Example	Dangers
Avoid	Cancel a product launch.	
Minimize	New suppliers in response to high demand in an area.	
Reduce	Multi-factor authentication for access to data.	
Transfer	Insurance.	
Share	Partnerships.	
Retain	Self insurance.	
Accept	It is what it is, nothing that we can do about it.	
Tolerate	Accept but up to a point, after which action is taken.	

PennState

Risk Analysis

Let’s Work!

PennState

Risk Analysis: Words of Caution

- Risk has many shapes and definitions.
- How to prepare for the things that will keep you up at night, but you don't know about them yet?
- Risk analysis might mislead you into thinking there is an end product.
  - There isn't!
  - Permanent iteration.

PennState

Kinds of Risk

- Risks that you are unaware of
  - Risk analysis not great for blind spots
- Risks that you are aware of but in denial
  - Risk analysis not necessarily great to convince you to do something
- Risks that you are reasonably aware of
  - Risk analysis can be useful

PennState

Measuring Risk

- Is there past data? Or new?
- The only thing worse than no measure is only one measure.
  - One measure is *never* enough
- Subjective
  - Whose perception?
  - Measurement instrument?
  - Frequency of measurement?
  - Who will measure and who will receive report?
- Objective
  - Indicator (how far from definition?)
  - Ease if access and management of data
  - Stakeholders
    - Who needs to chip in
    - Who needs to be informed/updated
    - Who are the gatekeepers of data
- Causes of risk
  - Identifiable?
  - Measurable?

PennState

Measuring Risk + Loss: Disclaimer

- Not everything can be measured.
- Not everything should be measured.
- They can still be analyzed and managed.
- A more abstract notion that is representative of your risk definition might better than a quantifiable indicator that is too far from your risk definition.

PennState

Risk Analysis

- Team better than individual
- Find your data person
- Decisions
  - List possible decisions to tackle risk (brainstorm; iterate)
- Objective
  - Focused on alternative decision(s)
  - Make it SMART
- Owner
  - Who's responsible for analyzing?
  - Do/Can they have easy access to everything they need?

PennState

Risk Analysis: Communication

- How easily do the stakeholders communicate?
  - Risk “analyst” (your data person!)
  - Decision makers
  - Affected parties
- How much stakeholder involvement is expected/desired?
- Is your data person involved in communication?
  - Technical expertise vs. Ability to communicate easily

PennState

Risk Analysis: Assumptions

- Think about that person who will enjoy finding holes in your initial work.
- You probably avoid them.
- Don't ☺
- Ask them. And listen!

PennState

Risk Analysis: Knowledge

- Is there something that must be learned?
- How?
- By whom?

PennState

Risk Analysis: Data/Methods

- Limitations
- Availability

PennState

Checklist

Measurement	Analysis	Communication	Assumptions	Knowledge	Budget
Can/Should be measured?	Team?	Decision makers?	Outside challenge?	Does someone need training?	Possible?
Multiple metrics?	Data person?	Affected parties?		Who?	Who grants approval?
Goals?	Possible decisions?	Stakeholder involvement?			Cheaper alternatives?
Causes?	Goal of analysis?	Data person communicate?			
Stakeholders?	"Owner"?				

Risk Management (Again)

PennState

Revisit Risk Management; Any Changes?

Risk Management	Example	Dangers
Avoid	Cancel a product launch.	
Minimize	New suppliers in response to high demand in an area.	
Reduce	Multi-factor authentication for access to data.	
Transfer	Insurance.	
Share	Partnerships.	
Retain	Self insurance.	
Accept	It is what it is, nothing that we can do about it.	
Tolerate	Accept but up to a point, after which action is taken.	

PennState

Thank you.

Contact information

PennState

Resources

Links

- Uncertainty avoidance
- Risk tolerance
- Risk analysis
- Spreadsheet (based on presentation. Use Claude)