



B2B Social Media

There is growing recognition that social media can play a key role in B2B marketing. According to an e-Consultancy report B2B social media has reached a tipping point as it gradually becomes a mainstream tool for customer engagement and business development.

- Cisco recently decided it would use only social media to announce and market the launch of a new router product. This gave the opportunity to establish a wide-scale and immediately interactive environment where customers could look at video content and demos, ask questions, see what other customers were saying, arrange for a sales call, read through specs, participate in web and podcasts and generally engage. It has been acclaimed as one of Cisco's most successful ever launches. In addition this generated three times as much press coverage as their previous comparable product launch
- Dell has been developing its B2B social media now for several years and has learnt many lessons on its journey of how best to make that investment pay back. It now adopts "social media principles" in the way it engages with all its customers and also all its employees. It uses SM not just to communicate new ideas and plans but also to listen and learn so it can anticipate. Among other things it has a policy of actively monitoring all online brand conversations and turning those with negative views into advocates. It invites those people to its offices and assembly plants. It goes out of the way to make sure it addresses concerns as they arise and is proactive, not reactive, Dell say that as a result of this in 2010 they achieved an incremental \$25m of sales. "Our customers are more influenced by what other customers say than what we say. In the B2B world that connection is even more important"
- American Express has launched OPEN forum which is a place for SMEs to share comments and ideas about not just AMEX products but about all manner of SME type issues and concerns from bank borrowing, securing investment, tax, NI and a host of other things. "it's our equivalent of Mumsnet, it's a place where business people can see what are the hot topics of the day, share, learn and engage. We have found a significant increase in corporate customer business flowing directly from this channel"
- BT has had some similar success with TradeSpace which now has c.350,000 members and provides a general business social networking forum and place and which BT will use to announce new products and initiatives.
- Microsoft, HP, PayPal, RICS, UPS, RS Components are examples of other companies who are all taking positive steps to make social media work for their business customers.

A recent PWC survey also confirms that we are now looking at one of those "tipping points" where more and more organisations in the B2B space are now trialling, investing in and learning about how to make social media work for them.

Why is this? What's making this become a more important agenda item and opportunity?

It's not just the growing swell of examples and anecdotes in this area; it's also because of other factors:

(i) Mobile devices are enabling so much more connectivity. Prospective customers will be tweeting about a new product launch at trade shows or sharing immediate comment and observation about their reactions in online forums and it's crucial that the product company can monitor those conversation threads. And of course it's possible to proactively connect with those conversing and invite them to your trade show stand or for a follow-up demo and call.

(ii) Employees expect more and more to be able to work in an environment where they can interact and collaborate to solve problems and share ideas. Social Media is displacing the now "old-fashioned" Intranet.

(iii) Business audiences generally and buyers are influenced by the same forces that influence retail customers. Expectations are changing.

(iv) Those companies who are developing social media strategies are finding that it lifts their whole customer communication to much more engaging level. Instead of somewhat dry and functional brochures and specs there can now be live and continuous human interaction.

(v) Cost reduction: in this climate of budget and cost consciousness companies like Cisco found that not only did their SM product launch work better than traditional ways of doing things but it was much more cost effective. It was also much more measurable and possible to determine exactly which elements generated the most leads.

With this area beginning to attract more and more attention, what are companies generally doing about it?

In its recent survey, PWC found that 48% of companies had appointed someone with at least part time responsibility for this SM area. 20% had appointed someone full time, 12% had set up a small team. Only 13% had no dedicated resource at all.

When the survey looked more deeply within organisations to explore what the workforce wanted, then 75% of people indicated they would like to see more social media deployment and through their company. This was as much about enabling and supporting peer to peer communications as it was about giving other opportunities and ways to connect and interact with existing and prospective customers.

What PWC and e-consultancy and other observers are also finding is that "dabbling" in SM activity is counterproductive. They liken it to the early days of companies going online when many were still unconvinced about the value or need for an online presence. Companies who approached that situation half-heartedly got minimal if no return. And worse still if not done well, then it led to poor customer experience and a negative outcome. What Dell and others have found is that a small but sensible level of resource can quickly pay back. And the gains are not just short term in terms of more business leads and potentially new revenues. The longer term gains of more vocal and considered customer support, the stronger Brand engagement and identity can lead to still further positives down the track.