



Impact of Social Media in Solutions Marketing

Benchmark Survey Results

February, 2016

Solutions Insights

In collaboration with:

**INSTITUTE
FOR THE STUDY OF
BUSINESS
MARKETS**

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Methodology



This report is the result of a unique survey on the impact of social media in marketing B2B solutions.

Survey Design and Implementation

- Over 100 corporate executives and managers submitted responses; 70 met the survey criteria of being directly involved in marketing solutions.
- Nearly all respondents represented B2B companies, and were equally split between being traditionally services or product based
- We conducted two cross-tabulations:
 - Product vs. services companies
 - Senior level vs. mid-level manager respondents

A wide range of global companies participated in the survey.

Participating Companies – Partial List

- Alcatel Lucent
- Accenture
- Arkema
- Arizona State University
- Avanade
- Avery Dennison
- BMC Software
- Cisco
- Corning Incorporated
- Dell
- Deloitte
- Dimension Data
- Eastman
- EMC
- Ericsson
- Extreme Networks
- GE Digital
- General Motors
- HCL Technologies
- Hewlett Packard Enterprise
- IBM
- Infosys
- Intel
- Kendall Electric
- Kodak
- LinkedIn Technology
- Marketo
- Northrop Grumman IS
- OTE Group
- Phillips
- Pitney Bowes
- ProSys
- PTC
- PwC
- Schneider Electric
- Siemens
- Sigma Group
- Tata Communications
- UCB
- VCE Corporation

Leading B2B social media practitioners were asked for their insights about the survey results.



Randi Alterman

Digital Marketing Leader, GE Digital, which connects data to analytics and people for industrial companies.

Randi is responsible for digital footprint, showcasing thought leadership, accelerating sales cycle and ge.com/digital.



Paul Dunay

Financial Services Marketing Leader, PwC, the world's largest professional services network.

Paul's role is to lead the Financial Services Marketing team in the Americas across the Assurance, Advisory and Tax lines of business.



Ronan Gruerbaum

Dean of Undergraduate Programs, Hult International Business School. Ronan has experience in e-commerce, digital marketing, mobile technologies and social media. He is the author of "Making Social Technologies Work: Leveraging the Power and Managing Perils of Social Technologies in Business."



Chelsea Hunersen

Social Media & Community Growth Manager, HubSpot, an Internet marketing company has developed an inbound marketing software platform. Chelsea manages social media and community growth.



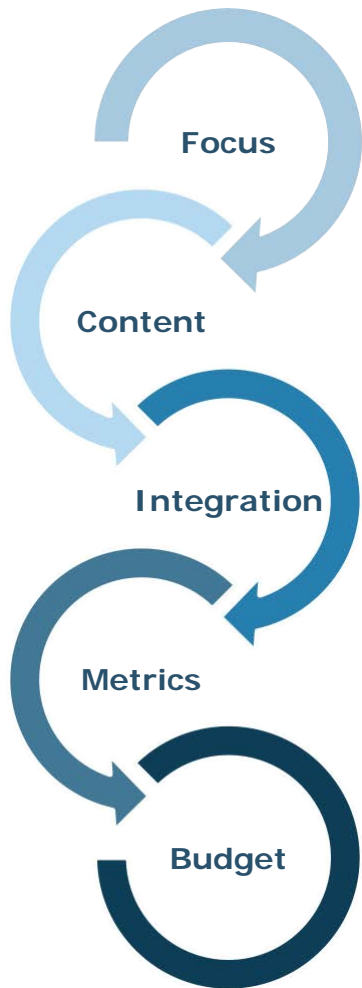
Suzanne Lavin

Executive Director, The Institute for the Study of Business Markets (ISBM,) headquartered at Penn State, is the world's only think tank focused on advancing the art and profitability of B2B marketing.

Key Insights



We came up with five conclusions about the use of social media in marketing B2B solutions.



- 1. Focus on your customers' priorities** – having a tighter focus and fewer measurable goals results in greater impact.
- 2. Be selective in customizing content for solutions** – great content is still the key to success regardless of which media you use.
- 3. Integrate inside and outside the organization** – make sure there is collaboration with sales and all other marketing activities and programs.
- 4. Measure regularly, then adjust** – collect data from metrics and use it to continually fine tune your social media strategy.
- 5. Plan to allocate more marketing dollars to social media** – budgets for social media marketing have risen significantly from 2014 to 2016, indicating growing importance of the channel.

Respondent Profiles

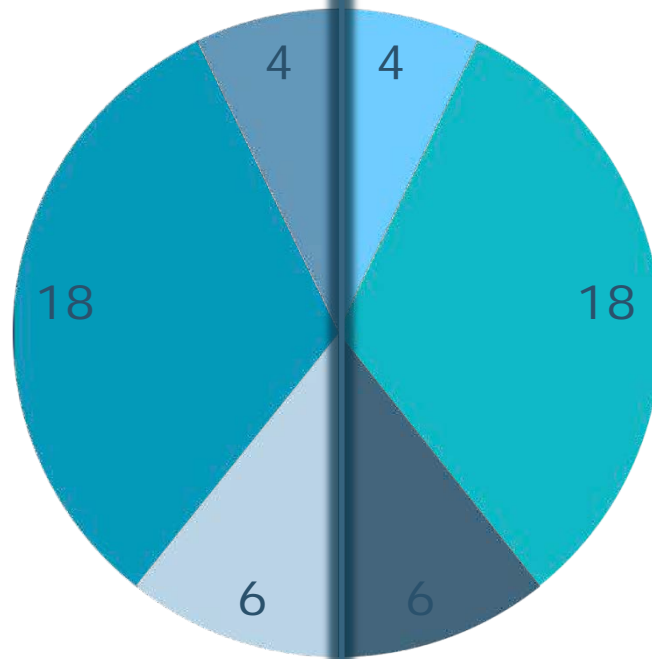


There was an even split between the mid-level managers/staff and the senior-level managers.

Q: Which title best fits your role?

Mid-Level Managers/Staff

Executives



C-level / General Manager / President / Owner / Partner

Director

Vice President / Senior Vice President

Individual contributor

Manager / Supervisor

Other

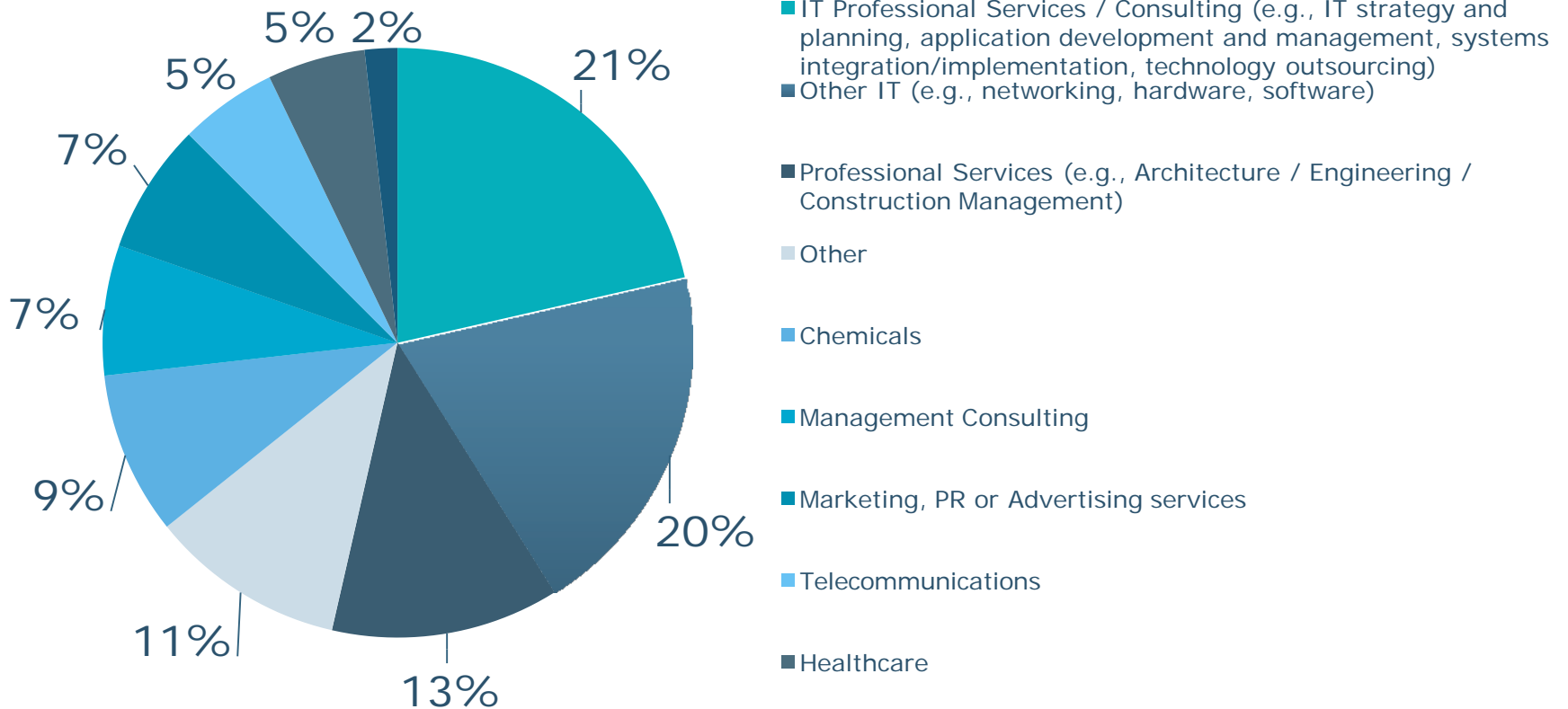
Others:

Marketing Manager
Assistant

Marketing Communications
Sales Specialist

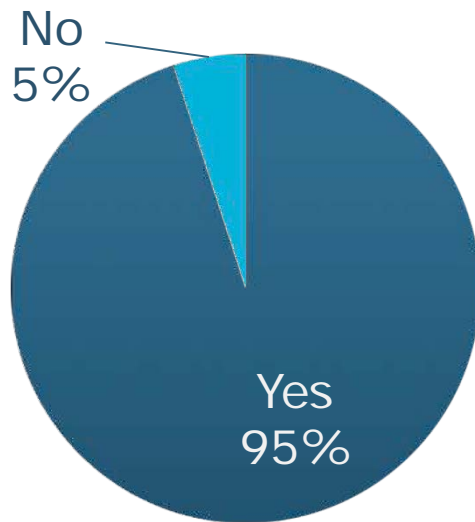
IT and other high-technology companies made up almost half of the respondents.

Q: Which ONE of the following best describes your company's primary business?



Nearly all of the respondents are directly involved in marketing solutions per Solutions Insights' definition.

Q: Do some or all of your responsibilities focus on marketing solutions as described in the survey introduction?



Solutions Insights' Definition:

A combination of products, services and intellectual property focused on a specific business problem that drives measurable business value.

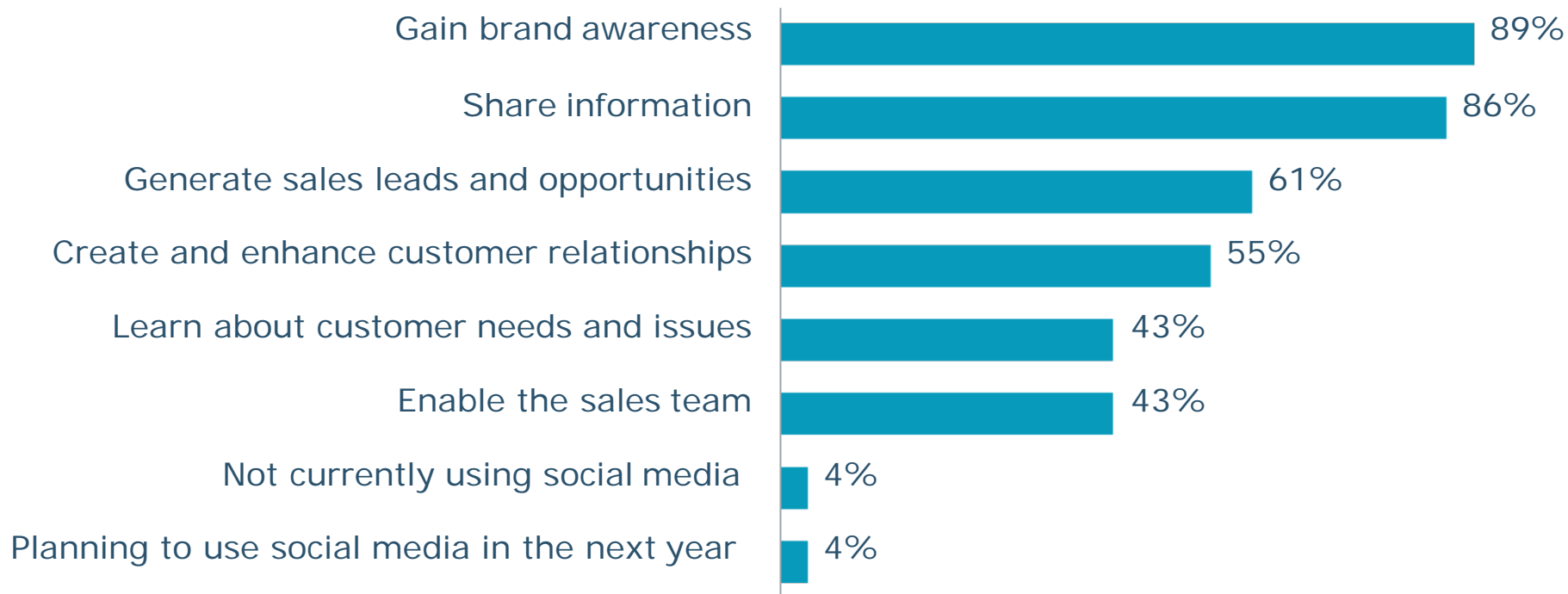
The solution components can be from either the vendor and one or more partners, and the solutions implementer can be the vendor, the partner(s), the customer, or a combination of the three.

Priorities



Social media is primarily used to increase brand awareness and convey specific information around solutions.

Q: In terms of your solutions portfolio, are you using social networks to: (Check all that apply)



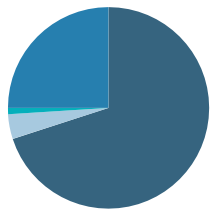
Budget Allocation



Companies have steadily increased the percentage of their total marketing budget spent on social media between 2014-16.

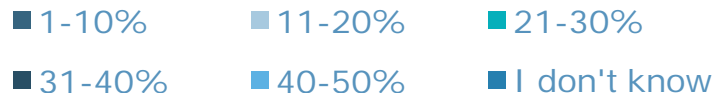
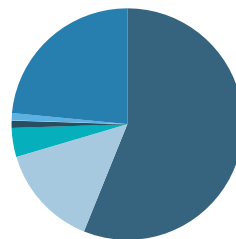
Q: Approximately what percentage of your company's or division's overall marketing budget was spent on social media marketing last year, and will be spent this year and next year?

2014



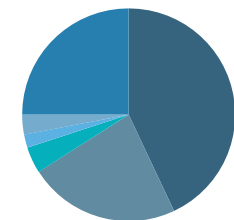
Avg. = 5.8%

2015



Avg. = 10%

2016 (Estimated)



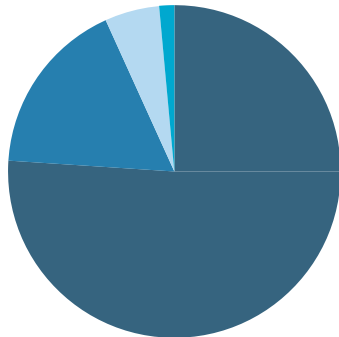
Avg. = 12.1%

NOTE: The "I don't know" responses were not factored into the final average budget estimates

Based upon their budgets, product and services companies appear to have different social media strategies this year.

Q: Approximately what percentage of your company's or division's overall marketing budget was spent on social media marketing last year, and will be spent this year and next year?

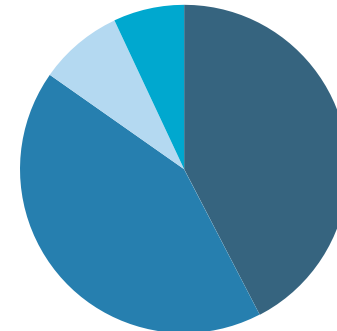
Product-Based Companies



■ 1-10% ■ 11-20% ■ 21-30%
■ 31-40% ■ 41-50%

Avg. = 7.9%

Services-Based Companies



■ 1-10% ■ 11-20% ■ 21-30% ■ 31-40%

Avg. = 13.1%

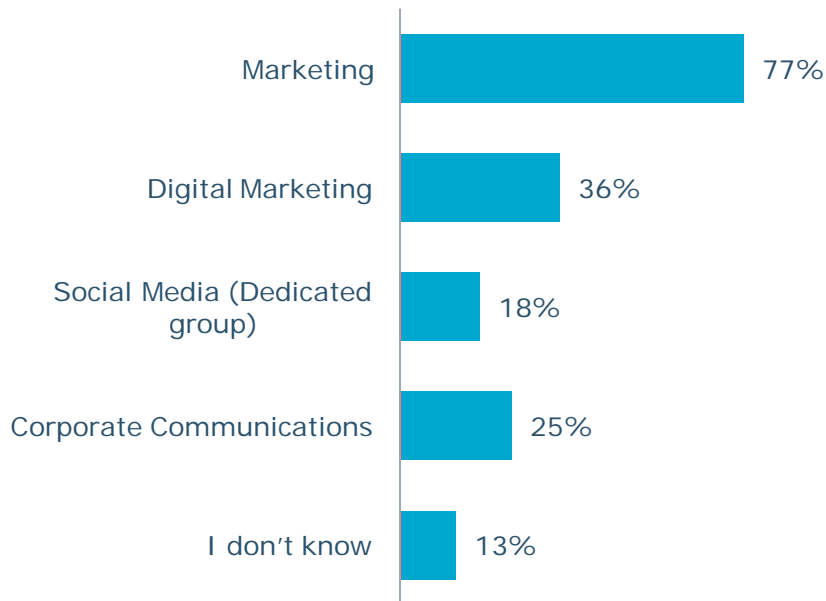
Ownership



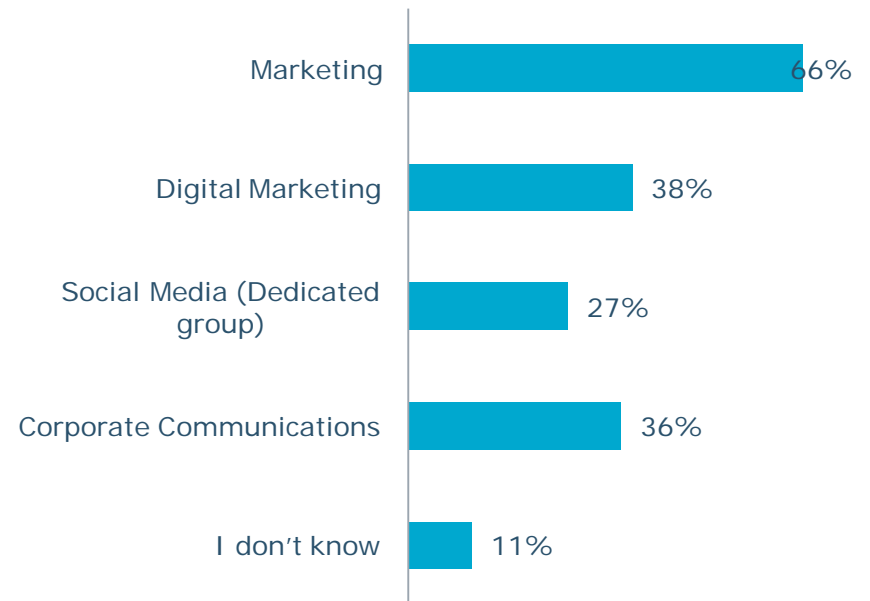
Both the budget and execution responsibility for social media resides mainly with the Marketing group.

Q: Where does social media marketing fit within your organization for budget and for execution (check all that apply)?

Budget



Execution



Use of Tools



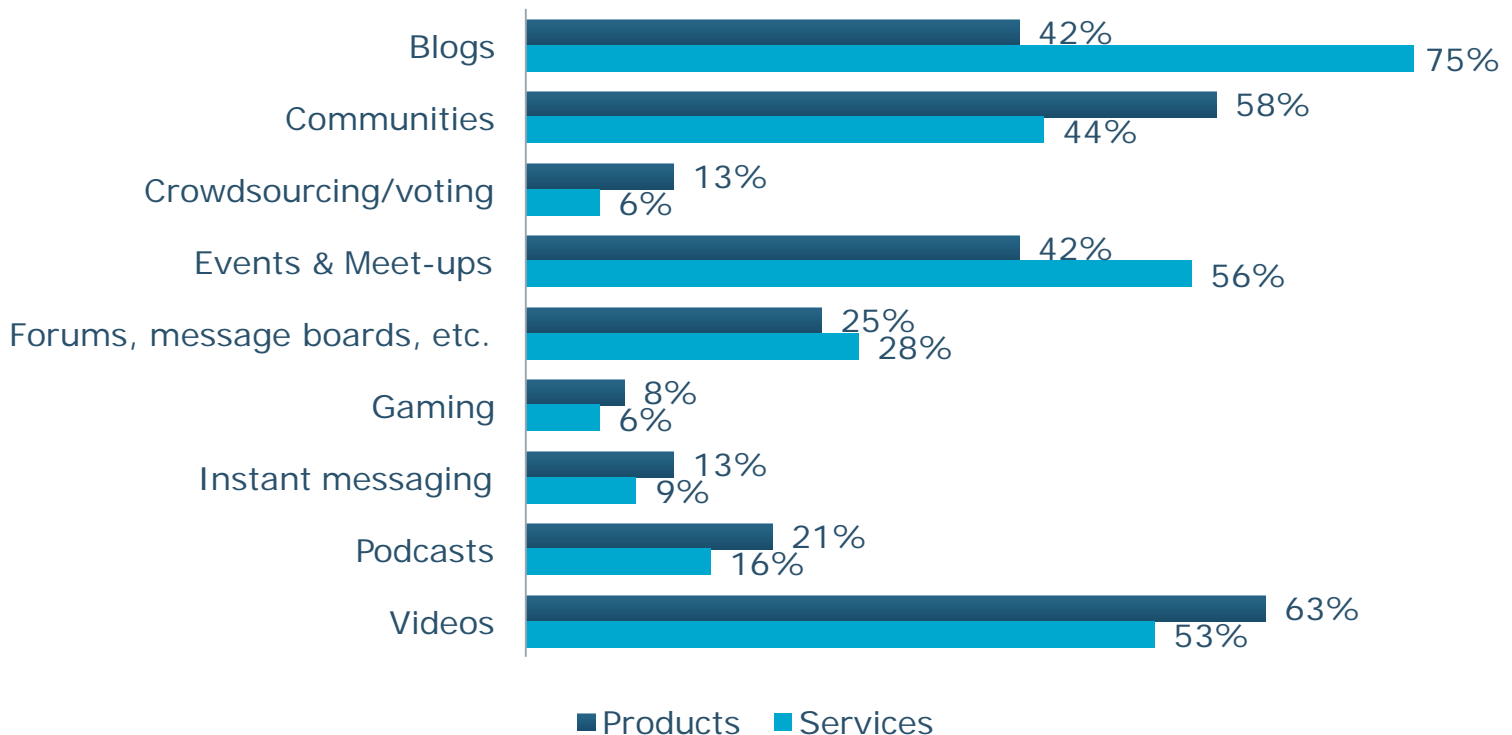
Blogs and videos are the most common social media tools/activities that are used differently for solutions than products/services.

Q: Please check the tools/activities that are applied differently when you market products/services compared to when you market solutions. (Check all that apply)



Product-based companies favor communities and videos, while services-based companies focus more on blogs and events.

Q: Please check the tools/activities that are applied differently when you market products/services compared to when you market solutions (Check all that apply)

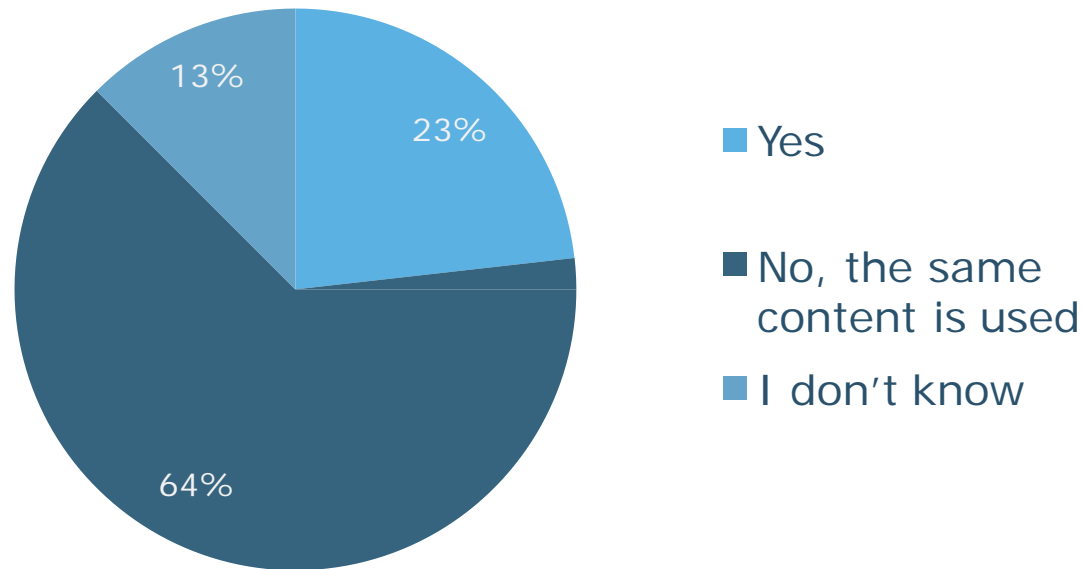


Content



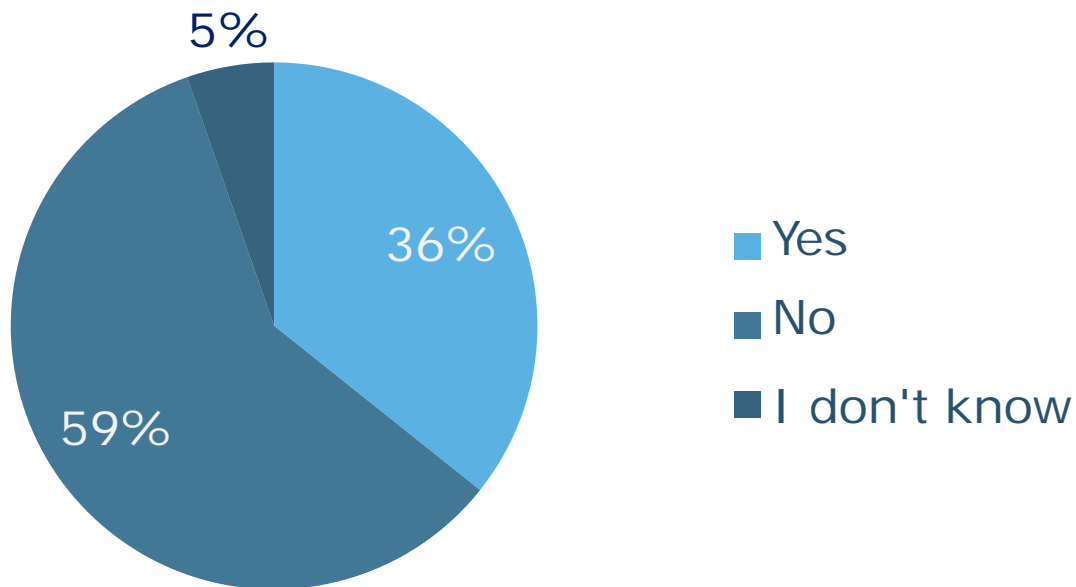
Nearly a quarter of the companies have a different content strategy for their solutions.

Q: Do you create different social media content for products/services than you do for solutions?



The majority don't apply social media to support their sales force.

Q: Do you use social media as part of your internal sales enablement program?



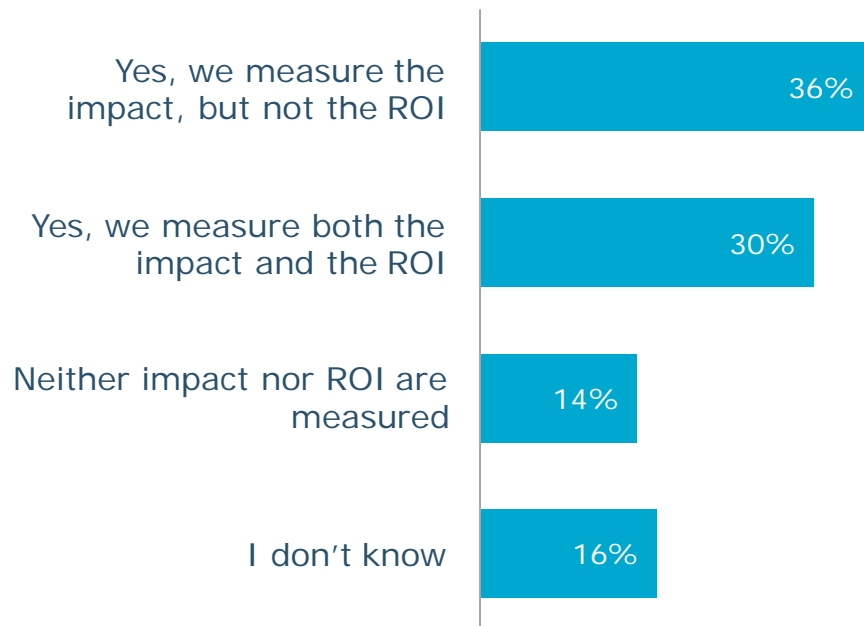
Metrics



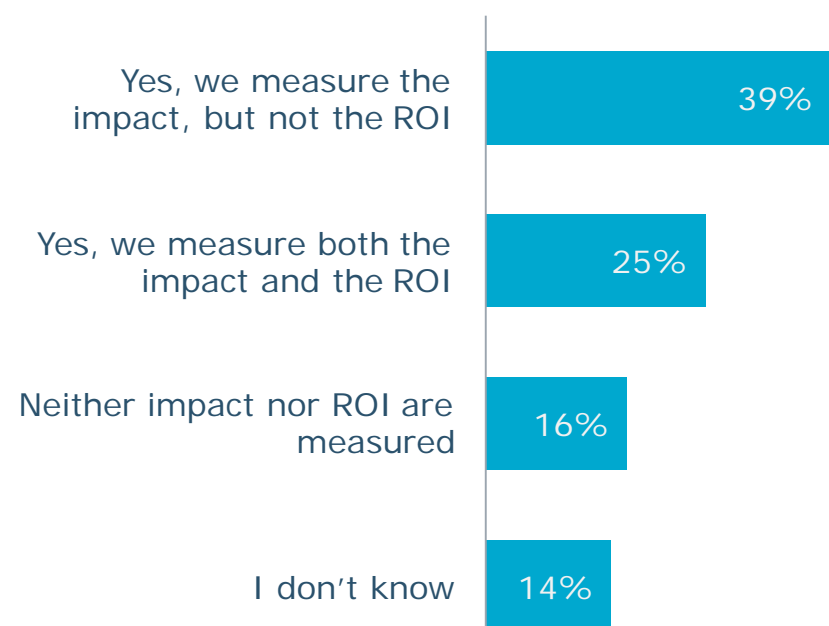
Companies approach social media and product/ services metrics the same way.

Q: Do you measure the *impact* (e.g., reach and engagement) and/or the *ROI* (e.g., qualified leads that convert) of social media marketing (Check all that apply).

Products/Services



Solutions



NOTE: Both product and service-based companies are equally challenged with measuring social media's impact and ROI.

“Reach” was mentioned as the most common metric for measuring social media *impact*.

Q: If you measure the *impact* and/or the *ROI* of social media marketing, please describe the metrics you use.

Impact -- The majority of respondents described reach and engagement as metrics for the impact of their social media programs (N=29)

- 70% described “reach” (impressions) and SOV (Share of Voice.)
- 59% described “engagement” as likes, shares and comments.
- 50% of the respondents are using both reach and engagement metrics.
- 24% mentioned sales leads as an *impact* metric.

Converting a lead to a sale was the most common ROI metric; however, only 18 respondents are trying to measure ROI.

Q: If you measure the *impact* and/or *ROI*, what is the most important metric?

The main ROI metric was sales conversion:

- *100% said that ROI metrics were more critical compared to impact metrics.* ROI examples included conversion rates, amount of sales revenue and number of leads.
- *58% of the respondents listed sales or cost of sales as the most important metric*
- *50% listed pipeline or leads as the most important*

Google Analytics and internally built tools are the most popular measurement tools.

Q: If you measure the *impact* and/or *ROI*, please describe the marketing automation or other tools you use for measurement.

Tools used for *impact* measurement – no clear majority favorite: (N=18)

- 22% Google Analytics
- 17% home grown (internally developed) tools/spreadsheets
- 11% Sprinklr and 11% Eloqua
- Single mentions of tools: Coremetrics, Netbase, Track Maven, Meltwater, Hootsuite, Salesforce and Sprout Social

ROI measurement tools (N=7)

- 29% Eloqua and 29% home grown (internally developed) tools/spreadsheets
- 14% CTR and 14% Google Analytics

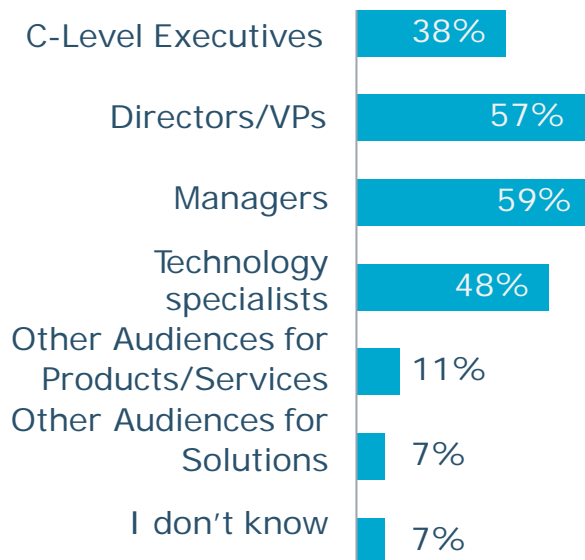
Target Audience



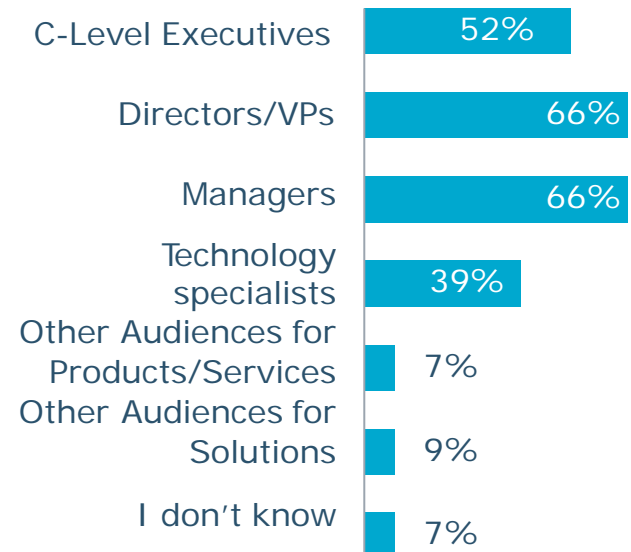
Social media activities/messages are aimed at a higher level in the customer organization when marketing solutions.

Q: What are the target audiences for your social media activities/programs for products/services marketing and for solutions marketing? (Check all that apply)

Products/Services



Solutions



There was a significant difference in the responses between executive and mid-level managers regarding the audience.

Q: What are the target audiences for your social media activities/programs for products/services marketing and for solutions marketing? (Check all that apply)

Executives



Mid-Level Managers

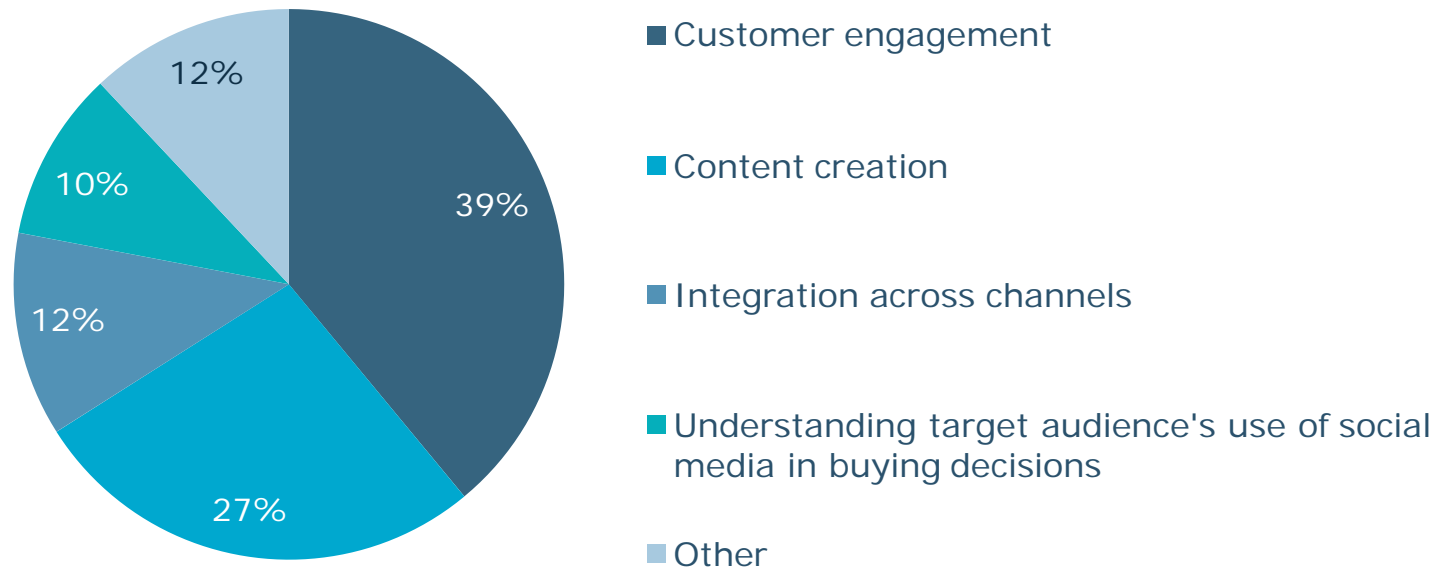


Best Practices, Key Challenges, and the Future



Companies feel that a successful program is reflected in stronger customer engagement and high quality content.

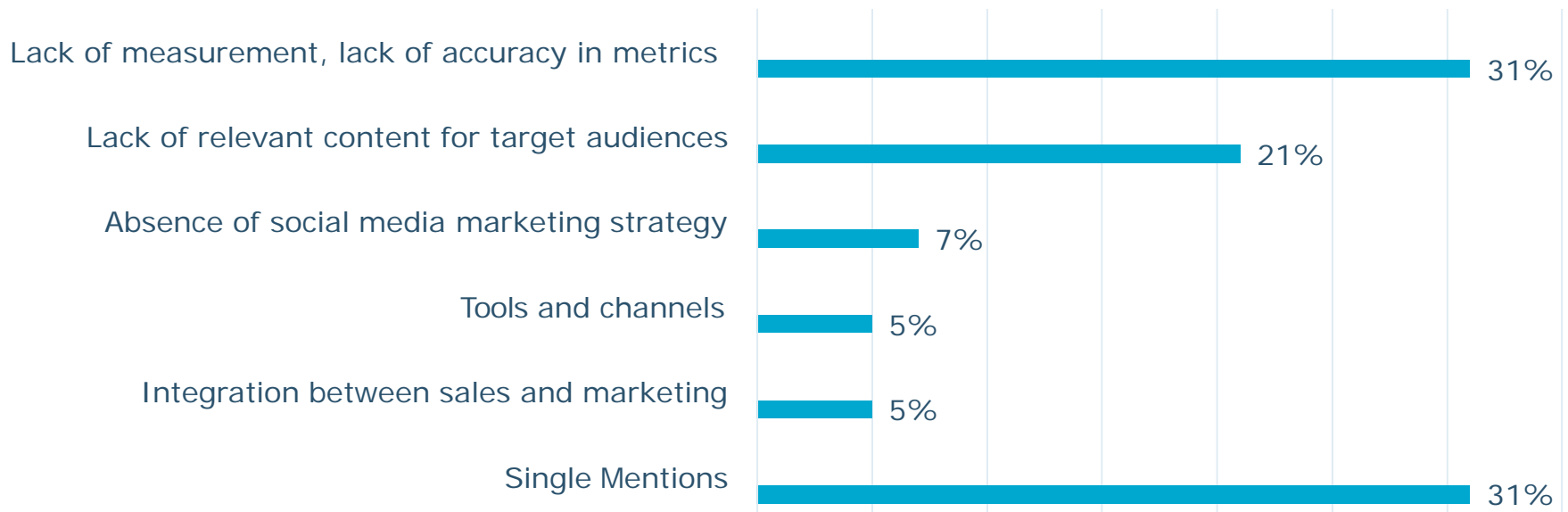
Q: What is a best practice(s) in social media marketing for solutions that you've seen either inside or outside your organization?



NOTE: We summarized the best practice examples into four major categories.

The inability to measure the impact of social media is the biggest problem.

Q: What is *not* working for you in social media marketing for solutions? What, if anything, has become a disappointment? (open-ended)

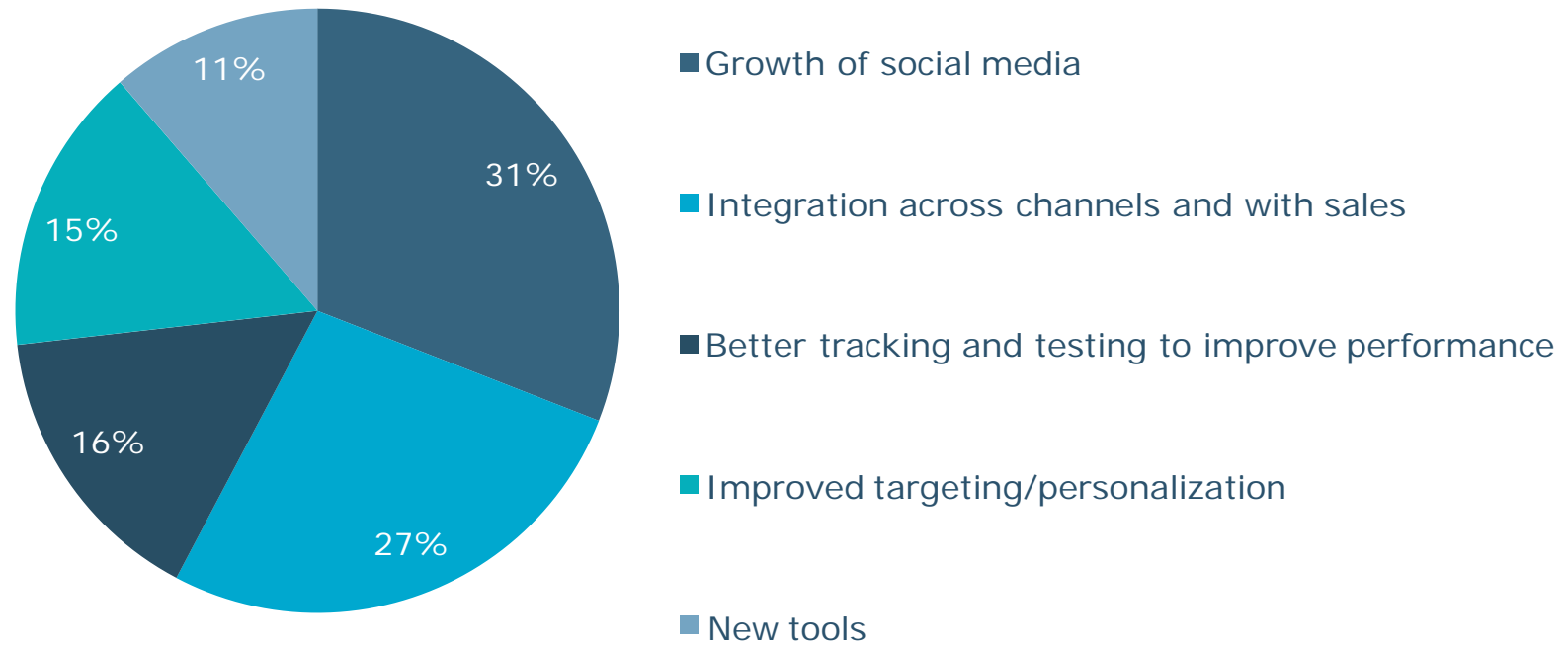


NOTE: Single mentions examples

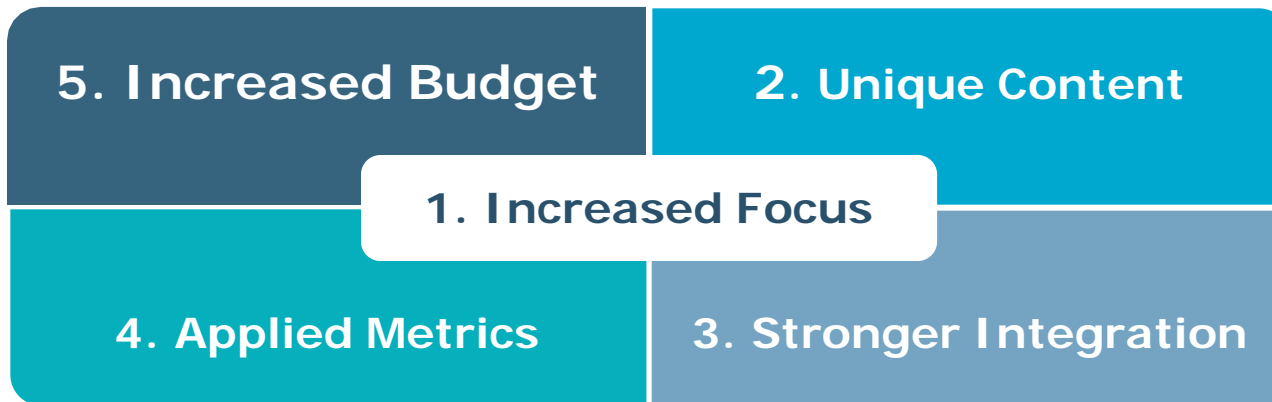
- lack of integration between marketing and sales
- lack of support for social media beyond marketing

Growth in social media activities, with better integration and more attention to metrics and targeting, are seen as future changes.

Q: Do you see your social media strategy changing over the next couple of years?



Summary



1. **Focus on fewer priorities** – having a tighter focus and fewer measurable goals results in greater impact.
2. **Content is still king** – great content is still the key to success regardless of which media you use.
3. **Integrate across all marketing and sales initiatives** – make sure there is tight collaboration with all other marketing activities and programs.
4. **Measure regularly, then adjust** – collect data from metrics and use it to continually fine tune your social media strategy.
5. **Plan to allocate more marketing dollars to social media** – budgets for social media marketing have risen significantly from 2014 to 2016, indicating growing importance of the channel.

Would you like to learn more about using social media to market solutions?

- You can get connected by joining the Solutions Marketing LinkedIn group <https://www.linkedin.com/groups/1925321>
- If you would like to learn more about the results of the survey, or discuss how it relates to solutions marketing in greater detail, please contact:

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Senior Consultant
781-513-5499

