Impact of Social Media in Solutions Marketing

Benchmark Survey Results

February, 2016
Table of Contents

Methodology
Key Insights
Respondents
Survey Questions
  ● Priorities
  ● Budget Allocation
  ● Ownership
  ● Use of Tools
  ● Content
  ● Metrics
  ● Target Audiences
  ● Best Practices, Challenges and the Future
Methodology
This report is the result of a unique survey on the impact of social media in marketing B2B solutions.

- 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

Total number of qualified companies: 70
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
  - C-level / General Manager / President / Owner / Partner: 4
  - Director: 4
  - Vice President / Senior Vice President: 18
  - Individual contributor: 6
  - Manager / Supervisor: 6
  - Other: 6

- Executives
  - C-level / General Manager / President / Owner / Partner: 18

Others:
- Marketing Manager
- Assistant
- Marketing Communications
- Sales Specialist

Executive N=28, Mid-Level Manager N=28
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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?

- IT Professional Services / Consulting (e.g., IT strategy and planning, application development and management, systems integration/implementation, technology outsourcing)
- Other IT (e.g., networking, hardware, software)
- Professional Services (e.g., Architecture / Engineering / Construction Management)
- Other
- Chemicals
- Management Consulting
- Marketing, PR or Advertising services
- Telecommunications
- Healthcare

N=56
Social Media for Solutions Marketing Survey

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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?

Yes 95%
No 5%

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.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gain brand awareness</td>
<td>89%</td>
</tr>
<tr>
<td>Share information</td>
<td>86%</td>
</tr>
<tr>
<td>Generate sales leads and opportunities</td>
<td>61%</td>
</tr>
<tr>
<td>Create and enhance customer relationships</td>
<td>55%</td>
</tr>
<tr>
<td>Learn about customer needs and issues</td>
<td>43%</td>
</tr>
<tr>
<td>Enable the sales team</td>
<td>43%</td>
</tr>
<tr>
<td>Not currently using social media</td>
<td>4%</td>
</tr>
<tr>
<td>Planning to use social media in the next year</td>
<td>4%</td>
</tr>
</tbody>
</table>
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

1-10% 11-20%
21-30% 31-40%
41-50% I don't know

Avg.=5.8%

2015

1-10% 11-20%
21-30% 31-40%
40-50% I don't know

Avg.=10%

2016 (Estimated)

1-10% 11-20%
21-30% 31-40%
41-50% I don't know

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%
- Avg.=7.9%

Services-Based Companies
- 1-10%
- 11-20%
- 21-30%
- 31-40%
- 41-50%
- Avg.=13.1%

NOTE: The “I don’t know” responses were not factored into the final average budget estimates.
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**
- Marketing: 77%
- Digital Marketing: 36%
- Social Media (Dedicated group): 18%
- Corporate Communications: 25%
- I don’t know: 13%

**Execution**
- Marketing: 66%
- Digital Marketing: 38%
- Social Media (Dedicated group): 27%
- Corporate Communications: 36%
- I don’t know: 11%
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)

- Blogs: 61%
- Videos: 57%
- Communities: 50%
- Events & Meet-ups: 50%
- Forums, message boards, etc.: 27%
- Podcasts: 18%
- Instant messaging: 11%
- Crowdsourcing/voting: 9%
- Gaming: 7%

N=56
Social Media for Solutions Marketing Survey
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)

- Blogs: 75% (Products) 58% (Services)
- Communities: 58% (Products) 44% (Services)
- Crowdsourcing/voting: 44% (Products) 6% (Services)
- Events & Meet-ups: 56% (Products) 42% (Services)
- Forums, message boards, etc.: 28% (Products) 25% (Services)
- Gaming: 28% (Products) 8% (Services)
- Instant messaging: 20% (Products) 6% (Services)
- Podcasts: 21% (Products) 16% (Services)
- Videos: 63% (Products) 53% (Services)

N=24, N=32
Social Media for Solutions Marketing Survey

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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?

- Yes: 23%
- No, the same content is used: 64%
- I don’t know: 13%

N=56
Social Media for Solutions Marketing Survey

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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?

- Yes: 36%
- No: 59%
- I don't know: 5%
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).

<table>
<thead>
<tr>
<th>Products/Services</th>
<th>Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, we measure the impact, but not the ROI</td>
<td>Yes, we measure the impact, but not the ROI</td>
</tr>
<tr>
<td>36%</td>
<td>39%</td>
</tr>
<tr>
<td>Yes, we measure both the impact and the ROI</td>
<td>Yes, we measure both the impact and the ROI</td>
</tr>
<tr>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>Neither impact nor ROI are measured</td>
<td>Neither impact nor ROI are measured</td>
</tr>
<tr>
<td>14%</td>
<td>16%</td>
</tr>
<tr>
<td>I don’t know</td>
<td>I don’t know</td>
</tr>
<tr>
<td>16%</td>
<td>14%</td>
</tr>
</tbody>
</table>

*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.

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

Q: If you measure the impact and/or ROI, what is the most important metric?
Google Analytics and internally built tools are the most popular measurement tools.

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)

<table>
<thead>
<tr>
<th>Products/Services</th>
<th>Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-Level Executives</td>
<td>C-Level Executives</td>
</tr>
<tr>
<td>38%</td>
<td>52%</td>
</tr>
<tr>
<td>Directors/VPs</td>
<td>Directors/VPs</td>
</tr>
<tr>
<td>57%</td>
<td>66%</td>
</tr>
<tr>
<td>Managers</td>
<td>Managers</td>
</tr>
<tr>
<td>59%</td>
<td>66%</td>
</tr>
<tr>
<td>Technology specialists</td>
<td>Technology specialists</td>
</tr>
<tr>
<td>48%</td>
<td>39%</td>
</tr>
<tr>
<td>Other Audiences for Products/Services</td>
<td>Other Audiences for Products/Services</td>
</tr>
<tr>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>Other Audiences for Solutions</td>
<td>Other Audiences for Solutions</td>
</tr>
<tr>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>I don’t know</td>
<td>I don’t know</td>
</tr>
<tr>
<td>7%</td>
<td>7%</td>
</tr>
</tbody>
</table>

N=56
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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)

<table>
<thead>
<tr>
<th>Audiences for Products/Services</th>
<th>Products/Services</th>
<th>Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-Level Executives</td>
<td>36%</td>
<td>61%</td>
</tr>
<tr>
<td>Directors/VPs</td>
<td>50%</td>
<td>68%</td>
</tr>
<tr>
<td>Managers</td>
<td>43%</td>
<td>57%</td>
</tr>
<tr>
<td>Technology specialists</td>
<td>50%</td>
<td>46%</td>
</tr>
<tr>
<td>Other Audiences for Products/Services</td>
<td>18%</td>
<td>11%</td>
</tr>
<tr>
<td>Other Audiences for Solutions</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>I don’t know</td>
<td>7%</td>
<td>7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Audiences for Solutions</th>
<th>Products/Services</th>
<th>Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-Level Executives</td>
<td>39%</td>
<td>43%</td>
</tr>
<tr>
<td>Directors/VPs</td>
<td>64%</td>
<td>64%</td>
</tr>
<tr>
<td>Managers</td>
<td>75%</td>
<td>75%</td>
</tr>
<tr>
<td>Technology specialists</td>
<td>32%</td>
<td>46%</td>
</tr>
<tr>
<td>Other Audiences for Products/Services</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Other Audiences for Solutions</td>
<td>4%</td>
<td>7%</td>
</tr>
<tr>
<td>I don’t know</td>
<td>7%</td>
<td>7%</td>
</tr>
</tbody>
</table>

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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?

- Customer engagement: 39%
- Content creation: 27%
- Integration across channels: 12%
- Understanding target audience's use of social media in buying decisions: 10%
- Other: 12%

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)

<table>
<thead>
<tr>
<th>Issue</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of measurement, lack of accuracy in metrics</td>
<td>31%</td>
</tr>
<tr>
<td>Lack of relevant content for target audiences</td>
<td>21%</td>
</tr>
<tr>
<td>Absence of social media marketing strategy</td>
<td>7%</td>
</tr>
<tr>
<td>Tools and channels</td>
<td>5%</td>
</tr>
<tr>
<td>Integration between sales and marketing</td>
<td>5%</td>
</tr>
<tr>
<td>Single Mentions</td>
<td>31%</td>
</tr>
</tbody>
</table>

**NOTE:** Single mentions include:
- 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?

- Growth of social media: 31%
- Integration across channels and with sales: 15%
- Better tracking and testing to improve performance: 16%
- Improved targeting/personalization: 27%
- New tools: 11%

N=27
Social Media for Solutions Marketing Survey

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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](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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  781-929-8570

  Naomi Wilsey  
  Senior Consultant  
  781-513-5499