5 Social Media Marketing Best Practices for B2B
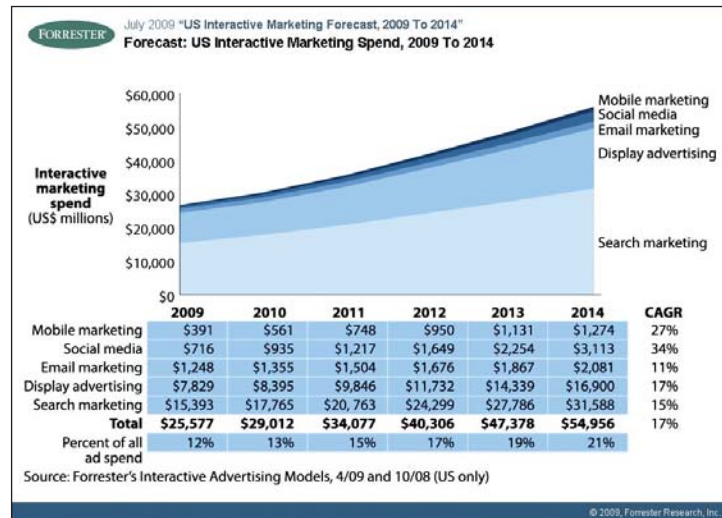
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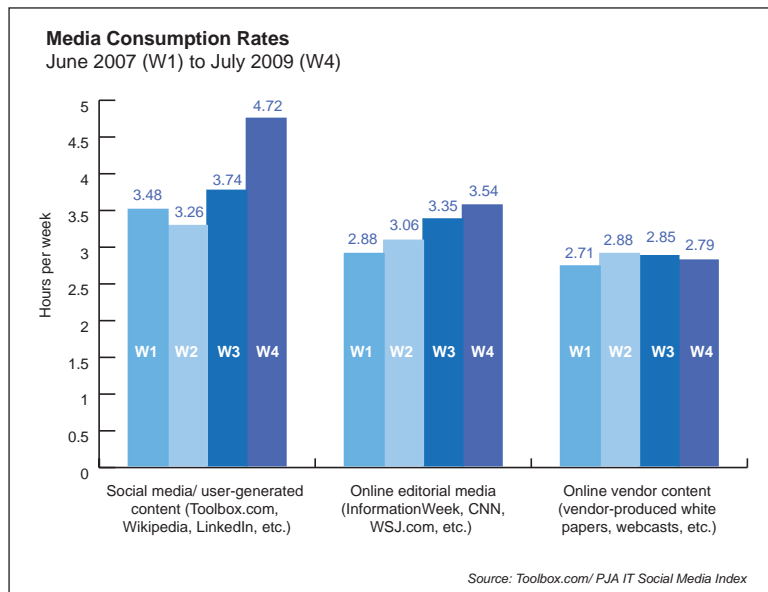
Introduction

In the last year, marketers have made great leaps forward in the tools they employ to reach current and potential customers. Social media ranks at the top of these new tools: Forrester Research reports that US marketers are projected to increase social media marketing spend by 34% CAGR from $716 million in 2009 to $3.1 billion in 2014. This growth in spending represents the largest increase among the interactive marketing vehicles included in the forecast.

July 2009 "US Interactive Marketing Forecast, 2009 To 2014"
Forecast: US Interactive Marketing Spend, 2009 To 2014

	2009	2010	2011	2012	2013	2014	CAGR
Mobile marketing	$391	$561	$748	$950	$1,131	$1,274	27%
Social media	$716	$935	$1,217	$1,649	$2,254	$3,113	34%
Email marketing	$1,248	$1,355	$1,504	$1,676	$1,867	$2,081	11%
Display advertising	$7,829	$8,395	$9,846	$11,732	$14,339	$16,900	17%
Search marketing	$15,393	$17,765	$20,763	$24,299	$27,786	$31,588	15%
Total	**$25,577**	**$29,012**	**$34,077**	**$40,306**	**$47,378**	**$54,956**	**17%**
Percent of all ad spend	12%	13%	15%	17%	19%	21%	

Source: Forrester's Interactive Advertising Models, 4/09 and 10/08 (US only)

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This year-over-year projected increase in advertising spend on social media is a natural correlation to similar shifts in media consumption that are taking place among B2B professionals. For example, in a series of four surveys conducted by Toolbox.com and PJA from June 2007 through July 2009, nearly 3,000 IT professionals in each round of surveys reported on their media consumption habits. Among these survey participants, social media consumption consistently increased and outpaced editorial and vendor content consumption from Wave 1 (June 2007) through Wave 4 (July 2009).

Media Consumption Rates
June 2007 (W1) to July 2009 (W4)

Source: Toolbox.com/ PJA IT Social Media Index

A similar picture is emerging within other online communities in B2B, as well as online communities that serve personal interests. For example, Nielsen reports that unique monthly visitors to Twitter grew nearly

1,400% (February 2008 to February 2009), Facebook is signing up one million new members per day (New York Times, March 2009) and archetypal online communities like MySpace and LinkedIn have shown consistently strong growth since their launches.

These statistics only begin to demonstrate the very real opportunity for marketers: their customers are consuming user-driven content, and community operators are helping marketers reach these audiences to achieve their promotional objectives. Although social media marketing is a relatively new discipline, leading marketers have assisted in the development of best practices to help their colleagues navigate this emerging landscape.

This white paper will present some of the best practices and lessons learned in social media marketing, based on the experiences, successes, and challenges of Toolbox.com advertising partners over the last decade. Information in this paper will help serve as a foundation for marketers looking to create or tweak their social media strategy.

Best Practice 1: Set Objectives First

New disciplines always seem vast at first. Social media marketing is no different. Although marketers may be initially overwhelmed by the seeming endless options and new technologies, basic marketing principles still apply. Objectives must be set first before any other details are considered.

While it may be tempting to create a Facebook fan page, start a corporate blog, or send out a flurry of tweets through Twitter, marketers first have to ask themselves a series of important questions:

- What are the primary goals?
- Who is the target audience?
- Which social media resources does the audience use?
- When will the campaign start and end?

Social media marketing is a specific subset of online marketing, which includes other disciplines like SEM, e-mail marketing, display advertising, and affiliate marketing. Just as in those other subsets of online marketing, different approaches will be employed through social media marketing for lead generation, brand building, public relations or customer service and feedback.

Also, as is true for all forms of marketing, S.M.A.R.T – the tried-and-tested project-management acronym – is still a good rule of thumb for marketers who are setting social media marketing objectives:

Specific

The objective should have a specific outcome. Launching a corporate blog or creating a discussion group is not as specific as generating 100 sales leads or increasing your quality score for customer satisfaction by 5%.

Measureable

There should be a reliable system in place to track and record progress toward the objective. Increased "engagement" may not be as meaningful as measurements like connections established with clients or comments made on your products and services.

Achievable

The objective should be attainable given current resources and time frame. Leveraging an existing community to generate 300 leads in 3 months is probably more achievable than building a robust customer community in the same time frame.

Relevant

The objective should be relevant to overall company objectives. Becoming a well known blogger may help build brand awareness, but may not help improve customer service issues.

Time-based

The objective should have a specific start and end date. A hard end date with specific mid-campaign milestones will force marketers to adjust and optimize to meet goals.

Best Practice 2: Build a Roadmap to Engagement

"Engagement" is a fairly nebulous term that has been used to describe one of the key benefits of social media marketing, namely the ability for marketers to engage with their customers in ways that have not been possible through traditional marketing. It's important for marketers to keep in mind that engagement through social media is not an all-or-nothing proposition, and they can build increasingly sophisticated strategies for two-way communication with target audiences based on available budgets, resources, and comfort levels.

Entry into social media marketing can be as simple as advertising in an online community through many of the same tools used in traditional marketing. Display ads and e-mail-based

promotions like list rentals and newsletter sponsorships can be employed to build brand and generate awareness.

The added value from social media marketing, even with only an entry-level approach, comes from being able to listen to target audiences. Marketers can tap into online communities to learn from conversations between their customers and prospects, get valuable feedback, and learn how to make their future marketing efforts with these customers more meaningful by gaining a better understanding of the tone and content of the interactions taking place.
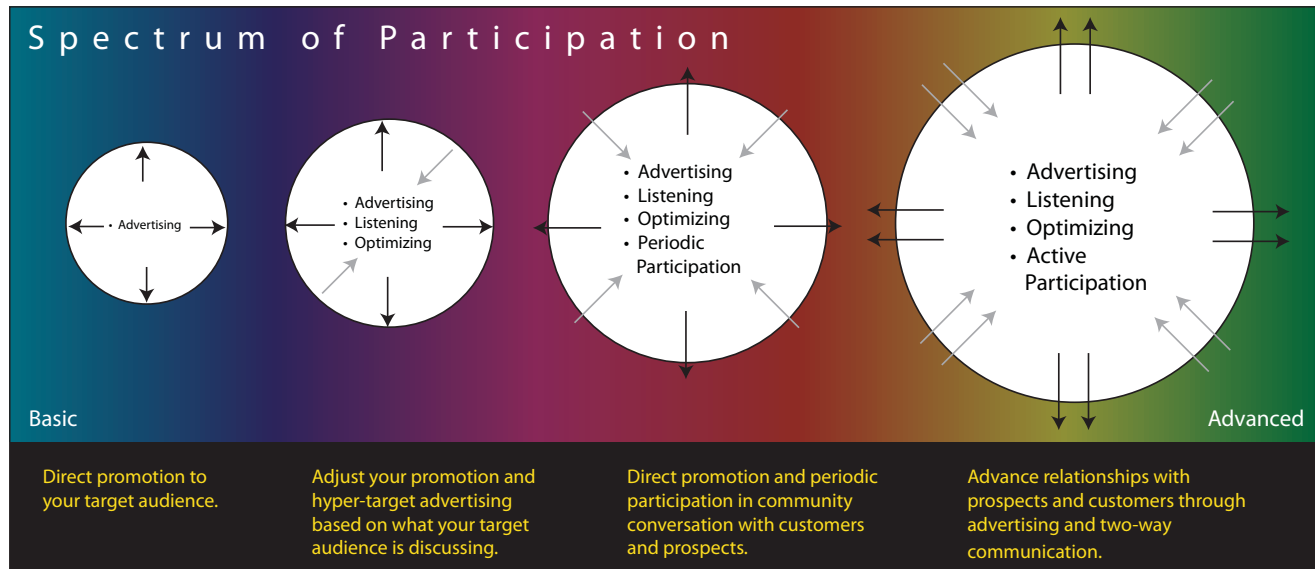
After graduating from entry-level social media marketing, the next step is to engage periodically in conversation with members of the target audience. It's important to understand that at this stage, marketers are building trust with customers and prospects; heavy-handed tactics and obvious self promotion will shut the door on fostering a deeper relationship. Marketers should strive to add genuine value to the interaction, even if it means spending time to provide research or feedback on a topic on which they have knowledge but may not necessarily have a bottom-line benefit for their company. This tactic establishes the marketer as a resource for future customer inquiries.

As the quality and frequency of this interaction grows with the marketer's increasing understanding of the audience's needs, so too will the potential rewards for the marketer. Community members will look to marketers who add value through their interactions with them as a go-to and trusted resource when they research and make final decisions on their purchases. Marketers will have the added responsibility of being as transparent as possible with their customers during these interactions in order to continue to earn trust throughout the customer lifecycle.

By building a roadmap of engagement that starts at basic advertising on a social media site and evolves to full participation in an online community, marketers can create a social media marketing strategy that matches their current comfort level, expertise, and available resources. The ultimate goal of this strategy is to increase the quality and frequency of interaction with customers through social media, and build relationships with prospects much earlier in the purchasing cycle. By serving as a resource, the opportunity exists for a vendor to positively impact their prospects' purchasing decisions.

As the social media "spectrum of participation" shows, marketers can get involved with social media in varying levels of commitment: from basic advertising that helps them build brand awareness, to more advanced tactics that include listening, optimizing, and active participation that establishes them as a go-to resource within the community.

Spectrum of Participation

- Advertising

- Advertising
- Listening
- Optimizing

- Advertising
- Listening
- Optimizing
- Periodic Participation

- Advertising
- Listening
- Optimizing
- Active Participation

Basic   Advanced

Direct promotion to your target audience.	Adjust your promotion and hyper-target advertising based on what your target audience is discussing.	Direct promotion and periodic participation in community conversation with customers and prospects.	Advance relationships with prospects and customers through advertising and two-way communication.

Best Practice 3: Examine the Costs and Benefits of Building Your Own Community vs. Tapping into Existing Communities

Building Your Own

The widely publicized success of online communities like Facebook, Twitter, and MySpace within the consumer space may entice marketers to create their own online communities around their company's products and solutions. This tactic has been employed successfully by companies looking to turn customers into brand champions, establish feedback loops, and provide forums for customers to interact. For example, corporate blogs at Best Western, GM, McDonald's, and Southwest Airlines have attracted followers, built brands, and in some cases, generated revenue.

However, establishing a successful online community involves more than simply adding tools like blogs and discussion groups to an existing company Web site. It requires a commitment of time and resources to start, establish, and maintain an online community.

In [Online Community Best Practices](), Jeremiah Owyang highlights the growth stages that successful online communities experience:

Life Process Of A Successful Community
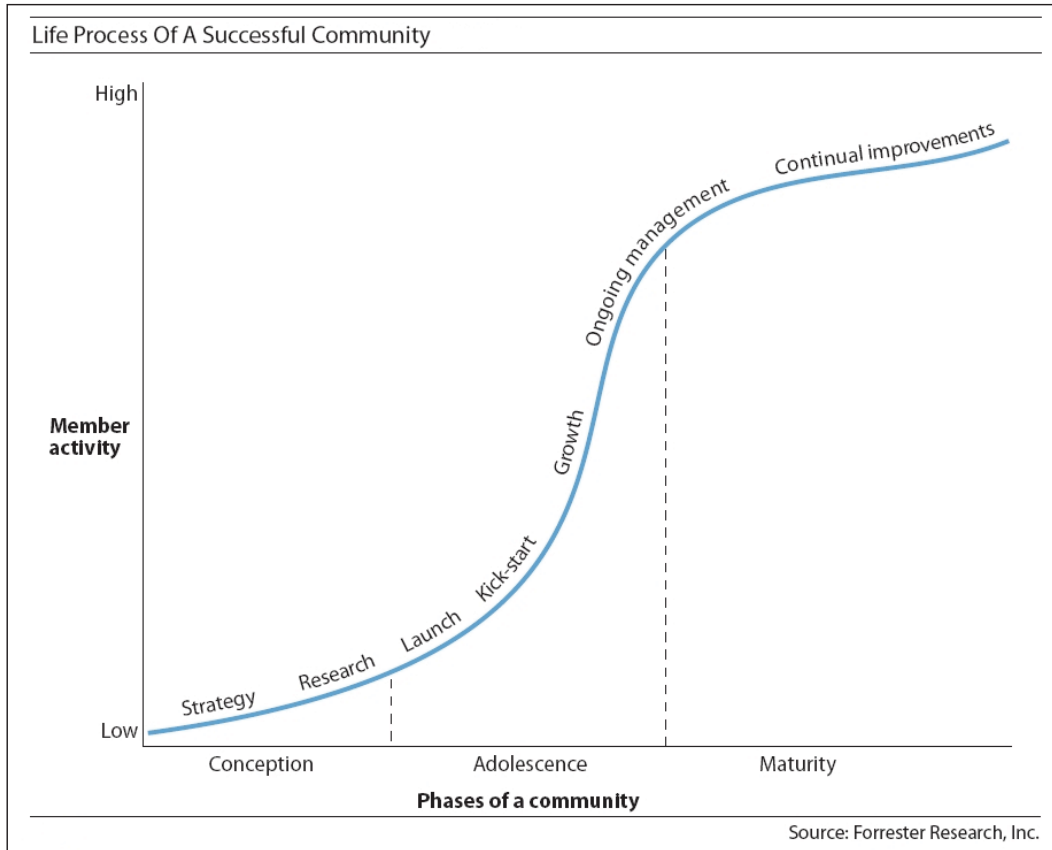
Months or years may pass from conception, through adolescence, to maturity of an online community based on the ability to develop the tools and technologies, attract and retain audiences, and establish a base of knowledge within the company to foster growth of the community.

Benefits of establishing a community:

- Provides a platform for announcing new launches and building brand awareness of existing products
- Creates the ability to establish brand champions and customer feedback loops
- Produces opportunities for upselling and renewals

Costs of establishing a community:

- Dedicating resources required to launch and grow community
- Establishing expertise needed to develop tools and technologies
- Investing significant time before achieving ROI

Tapping into Existing Communities

In a traditional marketing campaign where one-way promotions are employed to reach a desired audience, a sound strategy will yield results that are almost directly proportional to the amount of time, effort, and resources that are dedicated to it. Add more money and manpower and results increase; once the campaign is over, related activity (landing page visits, calls, etc.) usually ends soon after.

Likewise, social media marketing requires continuous, steady investment to build momentum at the onset. However, unlike traditional marketing campaigns, social media marketing will continue to return value with the same level of investment as the online community becomes self-sustaining, the campaign grows virally, and the marketer builds their reputation with community members.
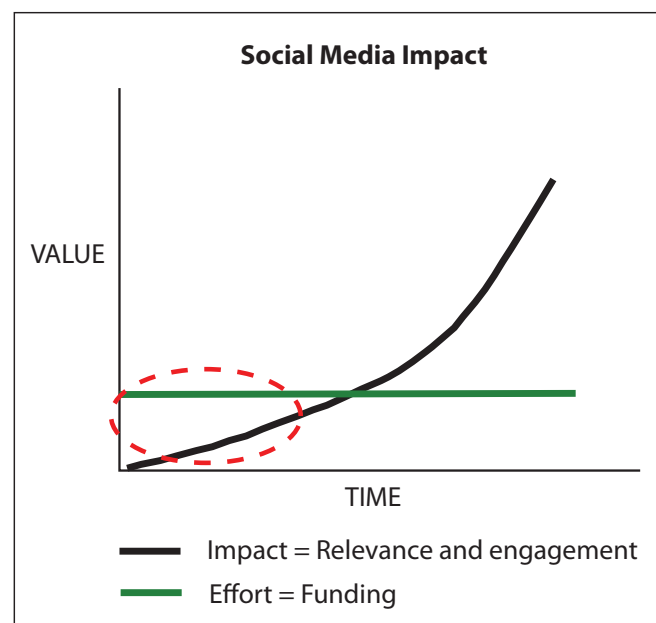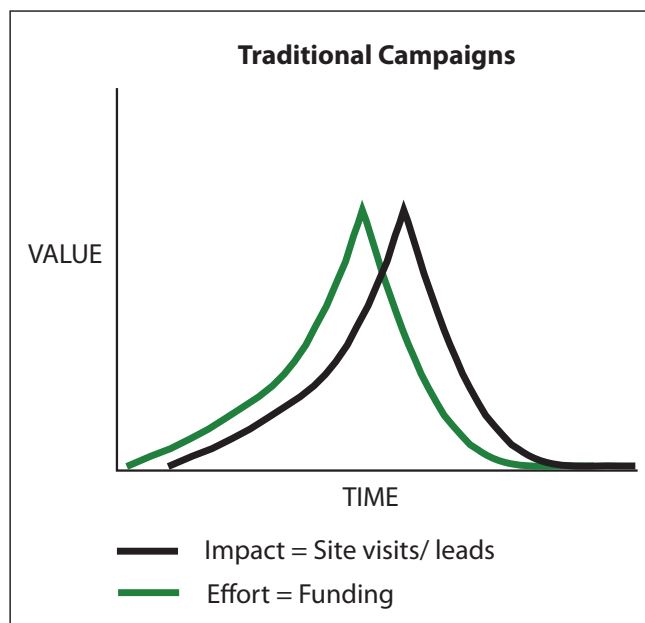
Source: Pauline Ores, IBM

Marketers can capitalize further on social media marketing by tapping into an existing community. In this way, they accelerate the pace of their campaign and enter higher on the value curve, avoiding the ramp-up period that would normally precede ROI from a homegrown or new community.

Social Media Impact

VALUE

TIME

—— Impact = Relevance and engagement
—— Effort = Funding
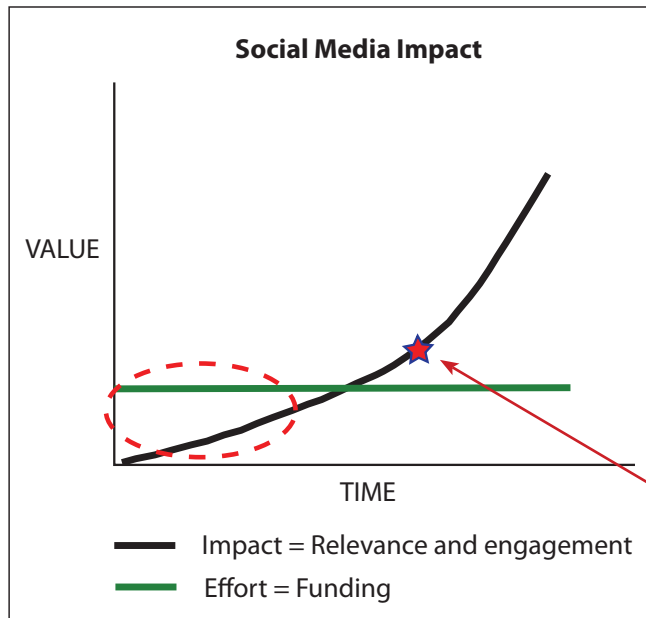
Social media marketing through an online community is not without costs and risks, however. Marketers must consider that an existing online community will have its own personality; in order to be successful, marketers must understand this personality and the best way to communicate within its confines. Fortunately, operators of online communities should be able to help marketers navigate this aspect of their community.

Marketing through an online community allows advertisers to quickly engage and make an impact with their target audiences.

Marketers must also be prepared to guide their brand through the sometimes murky waters of online community interaction, realizing that not every community member will treat their brand in "approved" usages. This doesn't mean that marketers need to relinquish control of their brand in these settings, but online community advertising does require a well established strategy for handling negative feedback. More information on these costs and benefits will be shared in Best Practice 5: Be a Listener, not a Policeman.

Benefits of tapping into existing communities:

- Provides the opportunity to prolong ROI (vs. traditional marketing)
- Accelerates ramp-up time needed to realize ROI (vs. homegrown communities)
- Leverages the expertise of community operators to optimize campaigns
- Requires fewer resources than building own communities

Costs of tapping into existing communities:

- Identifying existing online communities within the industry
- Learning how target audiences communicate within those communities
- Developing a strategy for guiding the brand through community interactions

Best Practice 4: Be Transparent to Win Customers

In order to achieve social media marketing success in online communities, marketers must strive to be transparent about their identities and intentions. Members of online communities are savvy about marketers and will easily ferret out disingenuous interactions by marketers pretending to be something they are not.

A now-classic example of the risks of not being transparent can be seen in Wal-Mart's 2006 "Wal-Marting Across America" campaign, in which two "bloggers" parked their RV in Wal-Mart parking lots during a cross-country trip, cataloguing their experiences with Wal-Mart customers and employees in the process. When it was brought to light that the bloggers were supported by Wal-Mart's PR agency, negative press ensued. The campaign is touted as one of the first examples of a "flog," or fake blog.

Members of online communities are open and welcoming of marketers when they demonstrate transparency, especially in B2B settings. In many cases, the B2B marketer can offer solutions to problems that community members are researching through social media.

A recent campaign at Toolbox for IT demonstrates how transparency can lead to social media marketing success. Information Builders, a business intelligence solutions provider, leveraged the Toolbox for IT community to achieve more than 750% ROI on a lead-generation campaign. The company attributes a good deal of this success to the transparency and trust they had built with community members: for a period of time before running their campaign, staff members from Information Builders interacted with community members through discussion groups at Toolbox for IT. These interactions helped build their reputation within the community. Knowing that they would receive insightful information based on previous interactions, community members were more willing to download white papers and provide lead information when Information Builders launched their social media marketing campaign.

Most of the principles of transparent marketing are intuitive. However, both the AMA and WOMMA offer ethical guidelines to help marketers maintain these standards.

Best Practice 5: Be a Listener, Not a Policeman

Within a social media context, there will be discussion of the brand that does not align with the marketer's goals. From negative feedback to incorrect usage of associated brand language, images, and characteristics, customers will not maintain the same care and caution that marketers exercise over their company's identity. The best approach that a marketer can take is to understand that it is impossible to control the way the message is communicated by customers, but it is possible to act as a brand advocate in ways that further the company's goals.

While it may seem fundamental, "listening" is an important skill to employ in order to achieve success through social media marketing. Marketers must learn how customers communicate through social media, and proactively monitor these communications. By monitoring and taking part in conversations where they are advertising, marketers can address any concerns or negative feedback about their brand that may be expressed by members of the community.

Additional safeguards, like exploring social media sites in the target market before pursuing a campaign, can ensure marketers that the target sites are on topic and produce valuable conversations that align with the company's brand.

Although marketers may employ the appropriate listening skills and perform due diligence to ensure that they are targeting the right social media sites for their campaigns, they will inevitably encounter brand detractors. These detractors may be customers who have had a bad experience with a product or service, or a better experience with a competitor's offerings.

However, these detractors represent an opportunity for the social-media-savvy marketer. Since marketers will be operating transparently and, in most cases, in a public forum, efforts to resolve negative experiences or educate brand detractors will have far-reaching effects. When successfully executed, not only do these situations help to convert one detractor into a brand champion, but the interaction will build positive brand awareness within the wider community.

A few important tips when working with brand detractors:

- Identify yourself: in the spirit of transparency, marketers should identify themselves as representatives of their organizations.
- Act quickly: when a detractor gets to the stage of actively making their dissatisfactions known in an online setting, their frustration level is high. Marketers should act quickly to resolve the problem, provide educational material, or customer service.
- Follow up: once initiating contact with a detractor, it's important for marketers to see the interaction through to its resolution. An unresolved interaction will do more harm than good, both with the original detractor and anyone who has witnessed the exchange.

Conclusion

Social media marketing is quickly becoming an important part of online marketing strategies. Marketing budgets have been expanded or reallocated to support social media initiatives, and new positions like social media marketing director, new media marketer, and social media brand manager have been created to help drive this emerging field. While many of the same principles and lessons learned from traditional marketing practices are applicable, marketers must also learn to tailor their approaches and adopt and develop a new set of best practices for social media settings.

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About Toolbox.com

Toolbox.com helps professionals do their jobs better by enabling them to easily share knowledge with experienced peers. The online communities at Toolbox.com include professional networking, blogs, discussion groups, wikis, and a vendor research directory through which executives and professionals collaborate to solve problems, make decisions, and increase workplace efficiency. Through the community, advertising partners can engage prospects and customers either directly or by integrating their message through a proprietary contextual matching engine. This combination of community and advertising value has made Toolbox.com a leading destination for professionals and a leader in online advertising. Toolbox.com is a division of Corporate Executive Board (NASDAQ: EXBD).

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