

Panel Verdict: Social Media Builds Relationships With Scale



By [Don Talend](#), [Write Results](#)

Social media has the potential to fundamentally transform marketing. With this in mind, BMA Chicago tweaked its April MarketingMasters luncheon seminar in three respects, largely to provide information more instantaneously. The event featured a panel discussion of thought leaders who shared ways to integrate social media into b-to-b marketing plans. With more voices and depth to explore, the luncheon was extended from 60 to 90 minutes. Last but not least, this was the first luncheon in the series to be televised and streamed to BMA members and b-to-b marketers around the world, who were encouraged to submit questions in advance.

The panel was moderated by Gord Hotchkiss, CEO of Enquiro, a leading North American search marketing agency, and a globally recognized expert and thought leader on digital b-to-b marketing. Also participating were Mark McMaster, a member of Google's Business & Technology Markets group, who consults with Google's b-to-b clients on how to integrate YouTube into their marketing programs; Paul Gillin, a *BtoB* columnist, author of *The New Influencers and Secrets of Social Media Marketing*, a frequent speaker and presenter on business marketing on Twitter; Justin Levy, general manager of consulting firm New Marketing Labs, Facebook expert and the author of the soon-to-be-published *Facebook Marketing: Designing Your Next Marketing Campaign*; and Steve Patrizi, vice president of marketing solutions at LinkedIn.

Below are some highlights of the panel discussion:

Hotchkiss began the discussion and introduced the other panel members, who provided their own brief presentations:

Hotchkiss opened by pointing out that it might not be appropriate to categorize leads obtained from social media in the traditional sense: according to likelihood of closing. From Enquiro's research, "The core of what we found is that this is all about people making decisions," he said. The human brain is not a computer that crunches numbers but, rather, is driven by emotion and beliefs. What does drive b-to-b buying behavior, he argued, is "one four-letter word ... that word is risk."

Where social media can play a role is in mitigating risk in prospects' minds, Hotchkiss added. "This is about establishing relationships; this is about reaching out and connecting with people and using new ways but understanding what both ends of that relationship look like and how you have to participate in that relationship and start conversations," Hotchkiss added. Finally, despite the fact that b-to-b

companies are adopting social media and monitoring their social media reputations than business-to-consumer companies but are falling behind in terms of maintaining or supporting reviews and advertising on social media.

McMaster began his presentation on marketing via YouTube by asking two rhetorical questions about the medium: “Is YouTube relevant to b-to-b buyers—is there an opportunity to have a connection via the YouTube platform?” and “If so, how can b-to-b marketers best leverage YouTube as a connection point?” McMaster acknowledged the explosive growth of YouTube as a search engine, noting that around the second quarter of 2009, it surpassed Yahoo! in sustained fashion for the No. 2 overall search engine ranking behind Google.

The big question, McMaster argued, is whether or not business people use YouTube. According to a June 2009 Forbes Insights “The Rise of the Digital C-Suite: How Executives Locate and Filter Business Information” report, nearly 70 percent of C-suite respondents indicated that they view video for business purposes at least weekly and about 25 percent of executives said they would rather view video over text. “The takeaway here is that for at least one out of every four potential buyers out there, they may have a pronounced preference for video, so if you don’t have your message out there in video format, you may be missing some people,” he said.

McMaster shared three key components of a YouTube marketing strategy. The first is to create a destination by uploading video free of charge, as Intel and Siemens have. The second component is to be discoverable. Noting that 20 hours of video are uploaded to YouTube each minute, McMaster said that companies can use advertising to direct people to their videos, and video can improve their search rankings. GE’s smart grid campaign included self-made videos from the public, including an “Augmented Reality” video that generated more blog posts in the three weeks following GE’s Super Bowl “Scarecrow” ad than the televising of the ad itself. The third component is to engage the community. “Make sure your marketing efforts are open to two-way communication,” he urged the audience. A great example of social media dialogue, he added, was a 3M contest that asked site visitors to reveal their interesting uses of Post-it Notes. It yielded 400 videos submissions and hundreds of thousands of views of those videos.

Gillin began his presentation by asking rhetorically, “Why should you be on Twitter?” and answering, “It’s the easiest on-ramp to Web 2.0 right now.” Surprisingly, Twitter has the fourth-oldest audience in social media, Gillin reported. Additionally, it’s very popular among marketing and technology professionals because it is very time-efficient in terms of generating site traffic. Relationship-building uses include news reporting and alerting customers to developments such as service outages, he said.

Amid interim findings from his own research of 55 marketers indicating that the average number of communication platforms used by their companies increased from less than 40 to more than 400 between 2006 and 2009, Twitter remains the No. 1 social media platform, Gillin reported. A good example of a company’s use of social media is recruiting firm Sodexo’s use of Twitter, increasing traffic to the firm’s careers site by 182 percent in the past two years and increasing job applications by 25 percent while reducing recruitment ad costs by \$300,000. In advising the audience how to build a

follower base, Gillin recommended attending and organizing events, tweeting from events you attend, following influential people, complimenting and acknowledging, seeking retweets, answering questions and offering advice (“It’s all about giving to get,” he said. “That’s all we’ve got these days—people aren’t listening to our messages, so we have to give them useful advice. Go on Twitter, go on LinkedIn and answer questions. Above all, be helpful.”)

Levy opened by noting that research indicates that Facebook visitors spend an average of 55 minutes a day on the site. Most visitors engage their networks via Facebook pages, groups and ads, he noted.

Levy described pages as a company’s “public persona.” A New Marketing Labs client, Citrix Online, uses Facebook to host and promote webinars and post survey results there. Promoting a company’s online event on Facebook or acquiring a fan that already has a number of fans can dramatically increase traffic to the company’s site, he said. Facebook is also a useful site for conducting focus groups, Levy added. “We have clients that we work with that invite in certain customers and partners and work with them in a private Facebook group where they feel comfortable because they already spend 55 minutes a day there; it’s a couple more minutes as opposed to asking them to log in somewhere else.” Advertising on the site is efficient, he pointed out. “When you go into Facebook ads, you can actually tell it who you want the ad to be shown to, either on an impression basis or on a cost-per-click basis, much like you would use Google ad words.”

Patrizi began by reminding the audience that professionals today are under more pressure to perform than ever but have fewer resources than ever. “It’s pretty interesting that social technologies have taken off at a time when job uncertainty is at its highest point,” he said. Patrizi added that “the new world of work” is characterized by three factors driving different ways in which people do their jobs today.

First, every individual is now a business: Job tenure is on the decline and professional reputation is more important than ever before. In this environment, the ability to access information is a competitive advantage. The cover story in the April 12, 2010, issue of *Fortune* proclaims, “Right now, millions are using LinkedIn to find jobs and get ahead. Do they know something you don’t?” Patrizi pointed out that “the reason LinkedIn works so well is that most of their members already have jobs.”

Also, LinkedIn gives b-to-b marketers access to 1.5 million C-level executives, 1.2 million vice presidents, 2 million directors, 4.4 million managers and 2.9 million owners for a total of 12.1 business influencers. “You’re not selling to businesses,” he said. “You’re selling to people at businesses and helping them achieve success in their careers. The more you can help them achieve their own professional success, the better relationship you can build with these people. That’s very, very possible today with social technologies.”

The second characteristic of the new world of work is the fact that everyone is a decision maker, Patrizi added. So “you need to distribute decision-making across your organization. You can make a decision very quickly, but there is a high probability that you will be wrong. On the other hand, you can take a lot of time and do a lot of research and really make sure you feel good about the answer, but it can take you so long that you miss your opportunity and your competitors can beat you to the punch. How do you make smart, informed decisions? How do you do it very quickly and how do you feel comfortable

with the information? Your network helps you do that—people who have solved the very same problems you’re trying to solve.”

Patrizi shared a November 2009 report titled “The New Symbiosis of Professional Networks” from the Society for New Communication Research in which participants were asked to name the top online steps they used to inform decision-making. The top two responses were search engines and visiting a company’s Web site, but other top responses included “read other blogs,” “gather opinions via online network” and “look up company on social network.” According to the same report, the top online professional networks were LinkedIn, Facebook and Twitter.

Another indicator of the b-to-b power of social media is a joint LinkedIn group formed by Hewlett-Packard and Intel called Small Biz Nation in which small-business owners can share stories and advice. The group attracted more than 1,400 members in the first week. This is an example of the more than 500,000 groups on LinkedIn, with more than 1,000 formed every day.

The third reality of the new world of work is that your people are now your brand, Patrizi said. Online profiles make employees discoverable by customers, partners and competitors. “We think there’s an opportunity to bring up your people in conversations and really leverage what is, in many cases, your best asset,” he said. An example is a joint Microsoft-LinkedIn program targeting small-business owners called BizSpark that uses posted profiles of partners on a project. “We really see that one of the bigger promises of social media is being able to build personal connections between your company and people you want to sell to,” Patrizi concluded.

The panel then answered several questions:

Hotchkiss asked the panel if members viewed the main role of social media in b-to-b marketing as helping organizations create relationships.

“No matter how hard any one of us tries at the end of this, we won’t be able to talk to everybody here in a way that’s remotely personal,” Levy replied. “Online, though, we can talk to everyone.” Gillin argued that social media can appeal to people’s basic instincts. “One of our most basic instincts, something we’ve been doing for millions of years as humans, is gathering around the campfire,” he said. “You’re re-creating the campfire on a global basis; there’s nothing you can do on Facebook that people wouldn’t do in a person-to-person setting—it takes face-to-face to another scale.” Said McMaster: “I don’t think anything we’re talking about up here is going to replace one-to-one, but we’re getting close to that. [Social media] is a nice proxy; it’s more efficient and scalable,” McMaster said, adding that viewing a video is like someone conducting an in-person product demonstration and that Twitter is more like a conversation than email is.

Hotchkiss then asked the panel how companies can deal with the cultural shifts inherent in adopting social media and fully take advantage of the technologies.

Patrizi, referencing “Regional Advantage: Culture and Competition in Silicon Valley and Route 128” by AnnaLee Saxenian, who contrasted work cultures in New England and Silicon Valley, noted that

companies in New England are much less inclined to share information with other firms. “In Silicon Valley, the exact opposite is occurring,” said Patrizi. “People work for competitors all the time. We actually believe that model is going to be very, very prevalent, where companies will have connections with other companies through people. I think social media plays right into that. There’s a risk in your people being exposed, but in a way, your people will help build those connections at other companies and give you a competitive edge.”

Gillin added, “Silicon Valley also has a higher tolerance for failure, and I think all companies can learn from that. Now the real work begins. We’ve got to start changing the cultures at companies. PR, communications people in the past trained a few handpicked people at a company. Looking at the future, you’re going to have to train everybody in the company because they’re all media now and that’s going to present enormous challenges.” Referencing “Open Leadership: How Social Technology Can Transform the Way You Lead” by Charlene Li, Gillen added, “You’ve got to decide what kind of company you are and whether your culture lends itself to this kind of openness. And if it doesn’t, she says don’t do it—it’s going to be a disaster.”

Patrizi interjected that corporate social media policies are addressing the issue of organizational transparency via social media. “It’s tricky because the individual owns the profile; the corporation doesn’t,” he said. Such guidelines can help a company to be successful without telling employees exactly what to do with their profiles. “That’s a pretty tricky balancing act—nobody’s nailed it, but IBM’s come pretty close,” Patrizi said.

In response to Hotchkiss’s further inquiry about social media policies, Levy advocated a more open approach. “Even if it’s nothing negative, or it’s nothing against your competition or the fact that you hate your job, you’re just scared that your employer is going to find it,” he said of the fear an employee might have of writing anything about their work. “You can either continue to inflict that fear on your employees or you can open things up,” he said.

Patrizi added that social media also presents challenges in terms of protecting information. “We still believe that the upside is far greater than some of the negative consequences,” he said, adding that social media can serve a valuable role in informing intercompany teams about fellow members’ expertise. “We think elevating your people and bringing them into the mix offsets a lot of the risks,” he said.

Hotchkiss said Enquiro has run into a phenomenon called the “inertia sandwich” regarding the adoption of social media and asked the panel if members had experienced the same phenomenon. “We find that there’s a CEO or executive-level leadership that may not get social media, but they know that they have to do something with it; they get the urgency of it and there are frontline people who are all over it, but there’s this huge layer of management that’s being very protective.”

Gillin said those most resistant to adopting social media are middle managers and, in some cases, the C-suite. “You can view it as an opportunity or a gun to your head,” he argued. “Everybody’s going to be more discoverable and we have to view that as an opportunity rather than a threat.”

The first audience question arrived via email. The questioner asked how to champion the value of social media to upper management, and how to make the best use of it despite limited resources.

Gillin replied, “You’re asking the wrong question. The question isn’t how do I use social media; the question is, what business problem am I trying to solve? At the back end of it, you may find out that social media has a role in it.” Selling jet engines, for example, might better lend itself to face-to-face interaction on the golf course, not Twitter, he said. Patrizi added that finding out if customers are using these tools is a good idea. Levy suggested exploring one’s communities on Facebook and LinkedIn to discern members’ characteristics. According to Patrizi, visitors can segment markets by using LinkedIn’s DirectAds.

The next question was submitted online: How can b-to-b marketers get C-level executives on board with social media?

Levy suggested establishing goals for social media first. “Try a small project. Try something out of a test budget you might have—\$500 or \$1,000, if that’s not a lot to your company. If you can get a small win, you can be able to show your statistics or look at your competition and find out what they’re doing. If they have a blog with 30,000 subscribers on it and you can show that X number of your customers are going to that Facebook page or that LinkedIn group, if the C-suite can see that, they’re going to want to figure out how to recoup some of that or gain an advantage.”

Patrizi noted that some executives are hesitant to embrace social media out of fear that customers might say something bad about the company for the whole world to see. “I think you have to work slowly with that kind of executive,” he said. “If you show what’s happening on Facebook, LinkedIn, wherever, that there’s discussion around your brand, I think the executives can see the value of being in the conversation and responding to it rather than not being there at all.”

Levy noted that monitoring social media conversations about a company can prevent the blindsiding of executives with negative feedback later. The public relations team might tell an executive that the public perception of the firm or its industry is overwhelmingly positive, and before the executive knows it, he’s testifying before Congress.

One attendee asked how to set up an individual LinkedIn profile that differs from a company profile.

“We would recommend that you talk to everyone in your company and ask, How should I describe what our company does?, just so that everybody’s saying the same thing,” said Patrizi. Gillin interjected, “It’s fine to have individual profiles within the company for people who do customer service or maybe do product development or have specific interaction with customers at specific levels. What I don’t recommend you do is cross over the personal and professional profiles. Don’t let people use their personal Twitter accounts to tweet about the company—that’s a can of worms you don’t want to open.”

Another audience question concerned a perceived lack of relationship-building with the proliferation of social media, an over-reliance on which can make one hesitate to pick up the phone.

Replied Levy: “I’ll agree with you that face-to-face is still extremely important. But saying that you can’t get to know someone [via social media]—I’ll strongly disagree. We as people online can learn about anything or anyone we want as deeply as we want or as much as people will allow.” He related his experience of briefing himself on fellow panelists’ backgrounds prior to a pre-luncheon conference call. “Before I ever meet these guys in person, I can skip that nice get-to-know-you sort of stuff and start a real conversation a lot quicker.” Gillin added, “People said the same thing about the phone a hundred years ago, that it would ruin human relationships. They said the same thing about air conditioning, that people wouldn’t sit outside their Brooklyn brownstones—they’d all go inside.” McMaster concluded, “Tools like Salesforce.com are getting integrated with social media so that you can manage the incoming social interaction, feed that to your sales team and track activity to make sure that your sales team is reaching out via the phone and face to face, and that can all happen in a very measurable way. To me, that’s the best of both worlds.”

The final question during the event was how b-to-b marketers can measure the return on investment of social media.

McMaster responded, “You can’t expect immediate ROI out of social media. I’ve found that the most successful marketers start thinking about it once something starts to stick. It’s too diverse to have one ROI model, but try a bunch of stuff and once something starts working, develop your own.” Added Levy, “It’s knowing what your end goal is. It might not be sales—it might be reputation management or sentiment control. There you don’t really care about ROI at the beginning because you know it’s horrible. You’re trying to fix that because you have negative sentiment about your company.”

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