

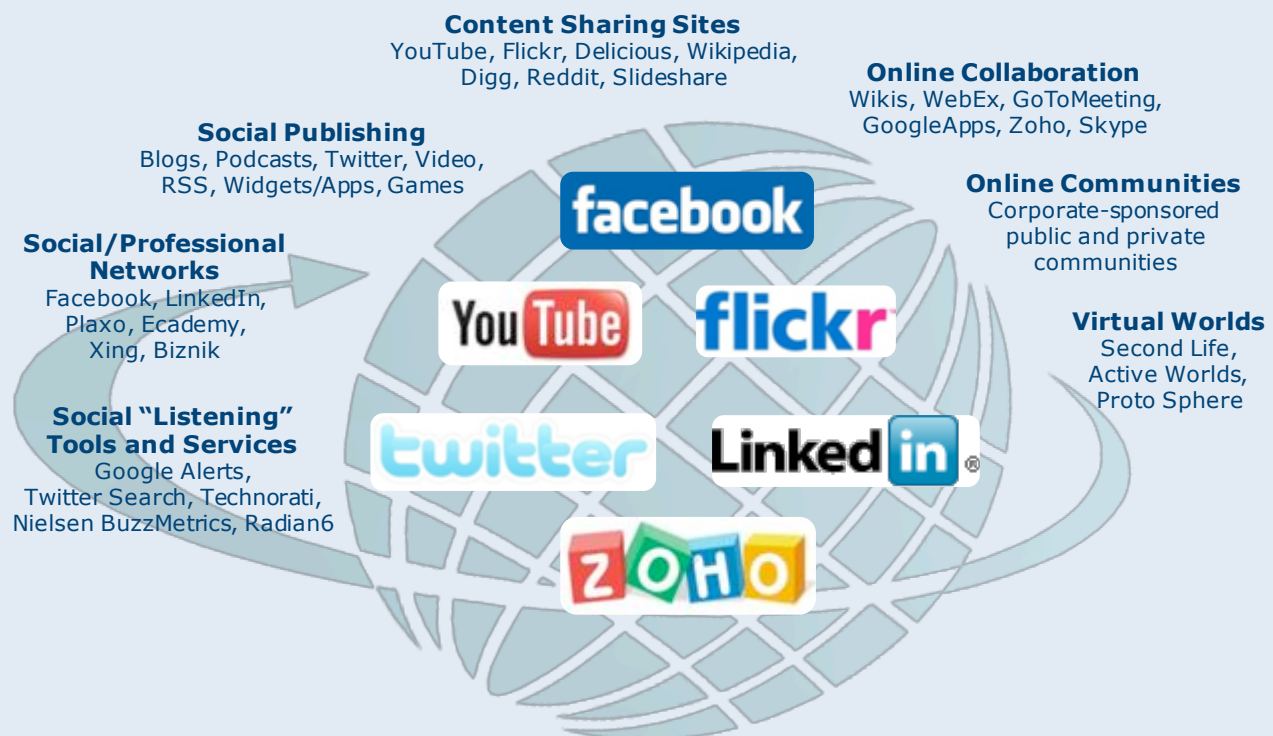
Socializing Solutions: Tapping Social Media for Solutions Success

Amid all the hype, solutions marketers are working overtime to figure out the real value of social media.

To be sure, a number of B2B solutions firms have been blogging, podcasting, and otherwise using social media for years. Talk to marketers at top tech firms such as Cisco, EMC, IBM, Intel, Oracle, or SAP, among others, and you'll hear about a range of creative and successful social media initiatives to enhance customer insight, conversation, and relationships.

Figure 1: Social Media for Business: What Do We Mean?

Defining "social media" is one of those challenges about which people can argue endlessly. For our purposes, we define social media as "online communication tools and channels that make it easy for individuals and groups to publish and share content, comment, connect, convene, converse, and collaborate."



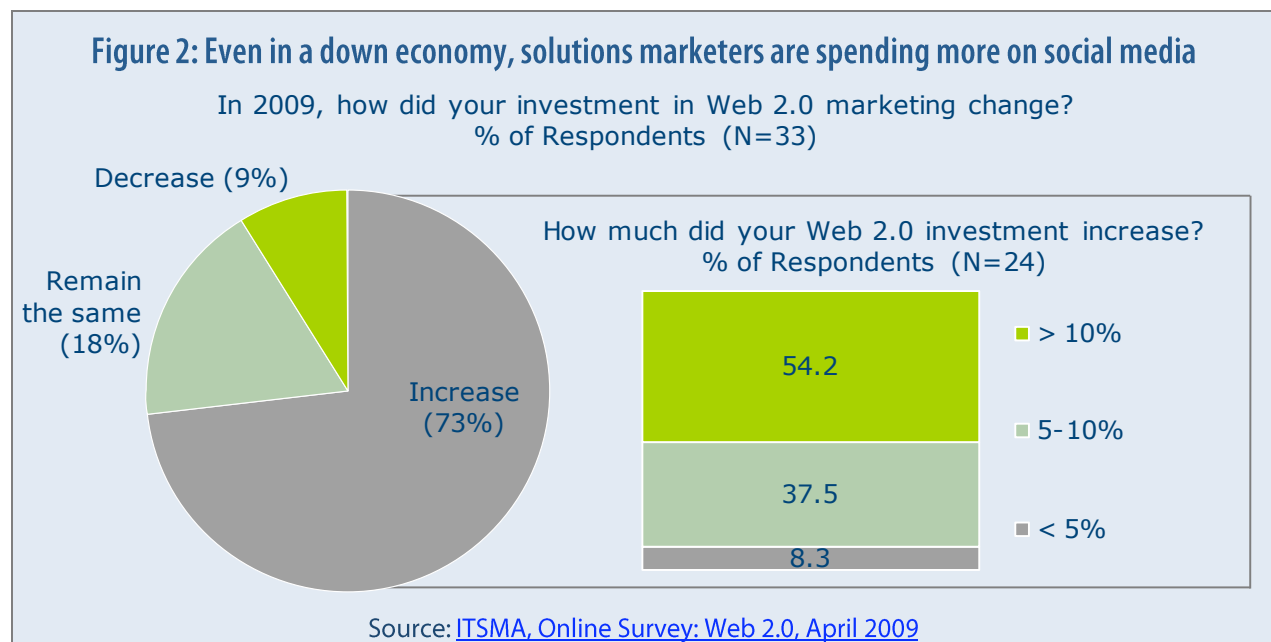
Source: Solutions Insights, 2009

But many more firms are just beginning to take social media seriously. In a recent study of large technology and consulting firms, for example, one of our partners, the Information Technology Services Marketing Association (ITSMA), found that:

- Only half of large B2B tech firms have an established program to monitor online conversations about their company.
- Only one third of the companies have identified internal subject matter experts and assigned them to engage with customers and others in online social conversations.
- Only half of the companies have a well-organized process for disseminating content through social media channels.

Further, in all three of these areas, most of the companies with such a program in place have implemented it only within the past year.

In the same study, though, almost three-quarters of survey respondents noted that their firms increased spending on Web 2.0 initiatives in 2009, even while cutting back or holding the line in other areas (Figure 2). Blogs, podcasts, online communities, and internal collaboration tools are among the most popular types of initiatives.



Understanding the Opportunity

The opportunity *seems* huge. With social media, we can:

- **Gain richer insight** into customer concerns, ideas, and perspectives than with traditional market research
- **Reach the bloggers**, analysts, journalists, consultants, and others who themselves have built large followings in social networks and channels and play an increasingly important role in educating and influencing buyers
- **Take advantage of word-of-mouth and viral marketing** by getting loyal customers to advocate and refer others on our company's behalf
- **Bring together customers and partners** more easily to discuss solutions, provide feedback, and explore new directions
- **Strengthen internal collaboration and knowledge sharing** by making it easier to work together across divisions, regions, and time zones

To put these benefits in a solutions context, consider some of the fundamental tenets of a true solutions company:

- Organizing marketing around customers' business needs and challenges rather than product and service features and functions
- Connecting customers with peer references, which are the most important buying influence for high-value solutions
- Collaborating with customers to codevelop solutions
- Working more effectively across organizational silos to bring together needed resources and capabilities

To the extent that social media can contribute in these areas, it can indeed play a valuable role in solutions success.

Cutting Through the Noise

Cutting through the noise and understanding how to integrate social media into solutions development, marketing, and sales, however, is no easy task. The pace of change with social media is dizzying, and the "hype cycles" are extreme, to say the least. For example:

- Several years ago everyone "had" to get into Second Life; now few pay any attention (even though three-dimensional virtual reality is quite likely to become a significant business force ... at some point).
- Facebook has overtaken MySpace with more than 200 million users worldwide, but many B2B marketers still wonder if there is legitimate value in it for them.
- Twitter took off like a rocket over the last two years, causing some pundits to wonder if blogging was now dead, but once Oprah signed up, other pundits decried that Twitter itself was now "over"—even though most companies had barely begin to consider its potential.

Changes like these inspire some obvious questions for solutions marketers:

- What types of social media activities are really effective?
- How should we determine an appropriate "social media mix"?
- How can we integrate the various programs with each other and with more traditional marketing efforts?
- How can we maximize and measure the impact?
- Where are the best practices in a B2B solutions world?

Too often we hear clients express great interest in social media tactics and tools (e.g., "What should we be doing with Twitter or Facebook or online video?") but less in strategy, objectives, and organization.

Experimentation is fine—and even useful—given the incredible pace of change with social media. Taking social media for solutions seriously, however, requires a well-developed strategy. Social media may well revolutionize the practice of marketing, but the basics remain the same: serving customers, finding avenues for growth, building reputation, and supporting sales.

Even for those companies that have already ventured down the social media path, the big challenge now is figuring out specifically where and how to invest and how to make the most of your investments.

Four Priorities for Social Media and Solutions Marketing

For solutions marketers, a sound strategy for social media should revolve directly around core business priorities. For many solutions marketers today, these priorities include:

- Identifying new opportunities for growth
- Creating more compelling offers
- Strengthening customer connections
- Accelerating the sales cycle

Social media can contribute to each of these objectives, but “contribute” is the key word. It is the objectives that matter most, and marketers should be very clear on the objectives before looking to social media initiatives that might support them.

A look at each of the four suggests some ways that marketers can tap the power of social media to help achieve clear solutions objectives (Figure 3).

Figure 3: A Social Media Matrix for Solutions Marketing

Solutions Stage	Social Media Objective	Sample Tools	Examples
Identifying New Opportunities	Improve capability to identify customer challenges and potential solutions faster and across a broader range of constituents	Social monitoring, crowdsourcing, innovation jams	IBM, Cisco
Creating Compelling Offerings	Maximize customer involvement throughout the offer development process to ensure alignment with customer needs	Customer communities, wikis, collaboration tools	EMC, Network Solutions
Strengthening Customer Connections	Build trusted relationships by providing ongoing customer education and support	Blogs, microsites, customer communities	Emerson Process Management, Intel
Accelerating the Sales Cycle	Assist sales force with faster and easier access to essential resources and subject matter experts	Internal community, collaboration tools, content sharing	ADP, EMC

Source: Solutions Insights, 2009

Identifying new opportunities

For many solutions companies, new opportunities emerge through some combination of field experience (e.g., creating a custom solution for a specific client), market research (studying where there are unmet needs to address), and in-house R&D (developing new product and service features that might be useful).

With social media, companies have new and powerful ways to spread the word internally about individual successes in the field, listen more easily to market conversations about potentially unmet needs, and collaborate internally and externally to cocreate new products, services, and solutions.

Perhaps most significantly, companies can literally “crowdsource” innovation by asking the world for help. Proctor & Gamble has done this for years with its Connect and Develop partnership program and is fast approaching its audacious goal of sourcing 50% of all new product and service development from outside the company.

In the solutions realm, IBM’s Innovation Jams bring together thousands of employees, customers, partners, and others for rapid-fire sessions to identify and explore new business opportunities. IBM’s 2006 jam, for example, included more than 150,000 people from more than 100 countries and led to the launch of 10 new businesses with seed investments of more than \$100 million.

Another example is Cisco's I-Prize—an open online competition to partner with Cisco with the best new “billion-dollar” business idea. To compete for the \$250,000 prize last year, more than 2,500 entrepreneurs from 104 countries joined an online collaboration forum where they could brainstorm and comment on new ideas, form teams, and draft business plans. The contest generated a host of great ideas that Cisco never would have developed internally. The winning team, led by a computer science student in Germany, developed a plan for an energy-efficiency solution based on Cisco's leadership in Internet Protocol (IP) technology.

Creating compelling offers

In the rush to bring new offers to market, many companies short-circuit the process of sharpening their focus, creating effective value propositions, and validating the benefits. Or they stay internal, talking mainly to each other to build the offers and skipping the essential steps of customer feedback.

Social media, and especially online communities, can help marketers quickly and effectively test new offers to strengthen credibility and competitive differentiation. Social applications such as blogs, wikis, Twitter, and collaboration platforms make it easier for marketers to involve more people more quickly in developing and shaping new offers. More substantially, online customer communities can literally make “cocreation” a reality.

At EMC, a Labs community gives select customers inside access to emerging technology within the company, thereby providing direct input from the field as EMC begins to develop new solutions. The Labs community lets customers experiment with and evaluate new systems, talk directly with EMC engineers, and even work on their own solutions. It's a powerful way to get real-time feedback from users, which helps EMC shape offers more effectively to meet customer needs.

Similarly, Network Solutions tapped its Small Business Forum, a private, invitation-only online community of small business owners, to cocreate a new solution for helping small businesses grow their online presence and sales. Working collaboratively from the start, Network Solutions tapped its community members in an ongoing conversation to refine the basic concept, evaluate wireframes and mockup Web pages, and beta test the initial new site. The end result, MySolutionSpace.com, owed both its overall direction as well as many specific features to the community dialogue.

Strengthening customer connections

In some ways, this is the most obvious application for social media. Recognizing the declining impact and value of traditional broadcast media and promotion, solutions marketers have looked for new approaches to engage and communicate with customers and prospects. Although B2B has typically lagged B2C, it's hard to find a sizable solutions provider these days without at least a blog, podcast series, or interactive microsite.

The goal, of course, is to build richer customer conversations in hopes of shortening the sales process, selling higher-value solutions, and generating increased loyalty and advocacy. In a time of increasingly skeptical and stressed-out customers, though, this is much easier said than done.

In fact, the innovation jams and online communities described here are among the most powerful ways to strengthen customer connections by literally putting them to work in a collaborative setting. There are many other ways to build stronger connections with customers via social media, including social publishing (e.g., blogs and Twitter), social networks (Facebook and LinkedIn), and content-sharing sites (YouTube and Flickr).

At Emerson Process Management, which makes manufacturing automation systems, marketers have developed powerful new connections to customers and prospects through blogs and social networking. By putting a human face on the company, showcasing subject matter experts, and reaching out through other social media such as Facebook, LinkedIn, and Twitter in a focused, open, and authentic way, the company has succeeded in creating a steady stream of relevant new business contacts with great potential for Emerson.

At Intel, a social media pioneer in B2B, an Intel Communities portal helps customers and others connect to dozens of blogs, community discussions, issue-based wikis, a company photo stream, Facebook pages, and tools to share content more widely and network with community participants. Seeing substantial results in customer engagement, the company actively encourages employees to participate in social media and has developed guidelines in more than 25 languages to help employees worldwide take the initiative. A global training program lends further support to employees, as does an expert group of Intel Insiders and a Social Media Center of Excellence.

Accelerating the sales cycle

According to the research firm IDC, buyers of IT solutions give pretty poor grades to vendors when it comes to solutions selling. In IDC's January 2009 *Customer Experience Panel* research, less than half of the buyers said that sales reps were well prepared for their initial meeting.

Improving solutions selling skills is a priority for most companies in the solutions space—but a connection with social media is not immediately obvious for many. Even among business professionals already active in social media, only a minority are using social tools directly to support sales, according to a recent survey by *Social Media Today*. As social media continues to infiltrate the enterprise, though, a new approach to “socializing” sales support is beginning to pay big dividends.

ADP, the billing and HR outsourcing firm, has taken up the new social approach in its major accounts group. Rather than focusing on creating new collateral, the solutions marketing group works to make the “tribal knowledge” of sales leaders, consultants, and others more accessible across the sales force. Partnering with SAVO Group, a provider of sales support software with a social slant, ADP has implemented new tools that encourage sellers to connect with subject matter experts, share useful content, and take advantage of the informal stories that often prove more effective than marketing's most polished presentations. Early results for this community approach, according to ADP, are extremely promising in terms of sales team readiness, conversations with prospective clients, and advancing deals through the pipeline.

At EMC, the process happens more naturally as part of a broader cultural shift toward online social interaction. A new initiative around cloud computing solutions, for example, is gaining great attention from technology buyers. But getting salespeople up to speed is a real challenge. The answer, according to EMC Vice President Polly Pearson, is the company's internal social network:

Within this platform the experts on the strategy, in the field and in HQ, are sharing real-time updates. They're sharing tips for how a rep can engage in the discussion. Reps are offering play-by-plays for how discussions went during recent Executive Briefings Everyone is acknowledging concerns a rep might have to a degree you wouldn't see in a "normal" piece of communication from HQ to the field forces It is all very personal feeling, very real-time, very two-way, and very helpful.

Moving Forward: A Four-Phase Approach

The speed of change with social media makes it tempting to forgo serious strategy in favor of trial and error. “Fail fast” is a common recommendation from social media pioneers, and there is a lot to be said for simply learning by doing. Yet there are also a number of steps companies can take to reduce risk and enhance the chances of success.

Our four-phase approach provides a conceptually simple but powerful way to put strategic discipline into your social media initiatives and help ensure maximum positive impact on your solutions business (Figure 4).

Figure 4: A Strategic Approach to Socializing Solutions



Phase 1: Assessing the opportunity. Part of the problem with social media is that the opportunities seem endless. Social media appear to be cheap, so it's easy to get caught up in building long laundry lists of potential initiatives. Sorting out the most useful opportunities comes from a careful examination of four questions:

- What is already happening with social media around the company (you might be surprised), and who is already active?
- Where are your most customers engaged with social media and social networks?
- What are your competitors doing, and what can you learn from their successes and failures?
- What aspects of your existing solutions activities can most easily be "socialized"?

Phase 2: Setting objectives. Social media is not about "campaigns" but rather is an ongoing and deepening engagement with customers, partners, employees, and other stakeholders through participatory mechanisms. In thinking about objectives, it is important to be realistic and think about milestones along a long-term journey. Four questions are particularly important:

- Most important of all, what are your primary objectives for the solutions business? Any and all social media initiatives should flow directly from those core priorities.
- What existing strengths can support early success with social media? These might include standout individual communicators, well-respected thought leadership content, strong customer relationships, and/or leadership positions in specific markets.
- Where might there be opportunities to gain social media advantage vis-à-vis key competitors?
- How open is company culture to trusting employees, accepting public criticism, and risking failure with social media initiatives? Different levels of openness might suggest different objectives and initiatives.

Phase 3: Building the foundation. Experience matters greatly, even in a relatively new arena such as social media. Bringing together the social media activists from across the company to help lead the charge and educate everyone else is a critical initiative. Reaching out for appropriate new hires, consultants, and agencies may well be another. Critical questions include the following:

- What existing employees and resources are available to help construct a stronger social media foundation?
- Is there effective executive sponsorship? Absent clear support from the top, it will be very difficult to make substantial progress.
- How should we build the team to help lead the way, and how can we ensure the right skills in the right departments and functions to ensure maximum impact across the company? What roles might outside consultants or agencies play? Who should step to the front as public faces and social media "stars"?
- How should we provide internal education, training, and support to get more people involved in a sustainable way?

Phase 4: Engaging continuously. Social media is ultimately about ongoing engagement with key stakeholders, regardless of particular objectives for solutions development, marketing, or sales. Doing this effectively over time means constantly answering four essential questions:

- Are we listening actively and intelligently enough to really understand the conversations around us?
- Are we effectively encouraging open participation across the company and supporting that with guidelines, tools, incentives, and recognition?
- Are we truly delivering value to customers and other stakeholders in our social media activities, not just wasting time with minutia or overly promotional sales pitches?
- Are we constantly reviewing our activities, measuring the impact, and learning how to upgrade our work? Do we have systems and processes in place to ensure continuous improvement?

Conclusion

If the benefits of tapping social media for solutions seem clear, the obstacles are also important to recognize. Using social media wisely requires careful answers to a set of core questions around company objectives, customer needs, cultural priorities, and organizational capabilities. Such questions are often difficult to answer, especially amid rapidly changing markets, customers, and social media platforms and tools.

Our four-phase approach provides a strategic framework for socializing solutions in a disciplined way amid the potential chaos of endless opportunity. Social media is new enough, and changing fast enough, that there are no generic “right” answers that every company can simply adopt. But using our framework will greatly increase the chances of getting it right for your organization, with your people, in your markets.

We’d love to hear how it goes with you.

For More Information

The principals at Solutions Insights have tracked the interest of technology and other B2B firms in solutions for almost 10 years, observing how companies have moved from using “solutions” simply as a marketing term to substantially changing their business models—getting closer to customers to address core business issues, integrating internal assets and intellectual capital to develop innovative offerings, and communicating real business value.

For more information on applying social media to solutions strategy, marketing, and sales, contact Rob Leavitt at rleavitt@solutionsinsights.com or +1-508-654-7181.

The *Point of View* Series

Solutions Insights is publishing a series of short, research-based perspectives on critical issues in solutions strategy, marketing, and sales. Current publications include:

- [*Adjusting to the New Reality: Four Steps for Solutions Growth*](#) (Number 1 | April 2009)
- [*Defining and Developing the Right Solutions: Lessons Learned in Managing Solutions Councils*](#) (Number 2 | May 2009)
- [*Socializing Solutions: Tapping Social Media for Solutions Success*](#) (Number 3 | June 2009)

About Solutions Insights

Solutions Insights is a B2B consulting and training firm that helps companies put meaning into the term “solutions.” Building on deep experience in the technology and professional services industries, we provide research, strategy, and programs that create internal alignment, market distinction, and faster routes to revenue. Learn more at www.solutionsinsights.com.