



WHITE PAPER

A Definitive Guide to Social Selling

A Hootsuite White Paper

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What is Social Selling? Over the past decade, B2B customers have become socially empowered, highly informed decision-makers. While it's common knowledge that consumers are using social media to find deals, research products and make recommendations, the widespread use of social media among business purchasers is less appreciated.

In fact, social media (along with search) is giving B2B customers significant market-making power. Their new behavior has upended traditional B2B marketing and sales practices, especially among companies paying close attention. Social selling — the use of social media by sales organizations for listening, customer engagement, and internal collaboration — is an inevitable consequence of social buying.

The good news for sales organizations is that social selling isn't a clean break from traditional selling; it's an evolutionary step forward. Social sellers do not have to abandon email, phone calls or face-to-face meetings. Instead, their time on these traditional channels becomes far more productive when supported by deliberate use of social media. Social selling eliminates some of the most wasteful parts of the traditional sales process (like cold-calling) and enhances the activities that good salespeople already do to create wins and drive revenue.

Perhaps the greatest misconception about B2B social selling is that it entails making sales pitches through social media. In reality, a B2B social seller uses networks like LinkedIn and Twitter to find potential customers, relate to their needs, and engage them. When appropriate, they can move the process forward through email, a real-time medium, or in person.

The Pillars of Social Selling

Listen and Learn

Salespeople discover potential leads by monitoring social networks (perhaps in concert with professional sales intelligence services). They map out relationships within prospective companies to determine which decision-makers they should target, leveraging shared contacts for referrals and introductions.

Research and Relate

Like consumers, today's business purchasers openly express their aspirations and their needs through social media. For attentive salespeople, this information is manna from heaven. It allows them to discover shared interests

or relationships that can turn cold calls into warm introductions.

In addition to

empathy, social

media fosters insight. Because online social profiles make the customer's business needs and the seller's subject knowledge more transparent, the two parties can build a relationship through valuable exchanges of information, not just idle chit-chat.

Social Selling: The use of social media by sales organizations for listening, customer engagement and internal collaboration — is an inevitable consequence of social buying

Engage and Impress

Social media allows a sales agent to actively communicate with more accounts and stay better informed about all of them. He or she can keep tabs on customers' social profiles and become aware of trigger events without bothering them with interruptive "follow-up" calls that add little value to either side. When an opportunity for engagement arises, the seller can reach out to the customer through social media or another channel.

Collaborate and Close

B2B sales are organization-to-organization, not just bilateral interactions between sales reps and individual customers. When partnered with solid business practices, social tools strengthen the entire web of relationships involved in sales, making the selling process as collaborative as the modern buying process. Sales representatives can collaborate to research prospects, build referrals, and discover cross-selling opportunities.

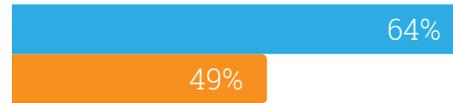
The results of social selling speak for themselves. In a 2012 review of sales organizations by Aberdeen Group, social sellers significantly outperformed the competition in numerous Key Performance Indicators (Aberdeen defines social selling as utilization of social media for internal collaboration, external listening, or external participation)¹.

This white paper will show that social selling remains an ambition, not reality at most B2B sales organizations today; however, the evidence is clear that change is underway. At this point, sales managers don't have to make a decision to adopt social media, because their customers have already made it for them.

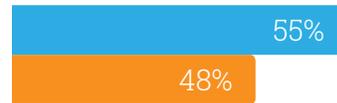
Performance Benefits of Social Selling

Users of Social Selling **All Others**

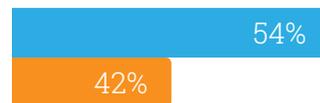
Total team attainment of sales quota



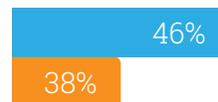
Customer renewal rate



Sales forecast accuracy



Percent of sales reps achieving quota



Source: Aberdeen Group

Social Buying

Wikipedia, Google, and countless other online resources have democratized access to information, empowering people to diagnose their own problems and find solutions. In addition, social networks such as Facebook, Twitter, and LinkedIn have made it possible for decision-makers to reach out to peers and experts for advice and receive it almost instantly. The web-enabled, socialized buyer is here to stay.

Social media dominates online activity.

- There are more than 1.5 billion social media users globally, and 80% of online users interact with social networks regularly.²
- People spend more time on social networks than on any other category of sites — 20% of their time spent on PCs and 30% of their mobile time.³
- More consumers use social networks each month than use email accounts.⁴
- Use of social networks is spreading across age groups. In 2011, nearly half of U.S. social network users were 35 and older, and this proportion is growing.⁵

Social media influences business decisions.

- At least once a month,
 - 65% of social media users learn more about brands, products or services.
 - 53% compliment brands.
 - 50% express complaints or concerns about brands or services.⁶
- Social media sources of information are used by more than 70% of B2B decision makers.⁷
- 85% of IT decision makers use at least one social network for business.⁸
- LinkedIn, the #1 social networking site for business professionals,
 - has over 200 million users.⁹
 - is used by 34% of American Internet users with annual household income over \$75,000, and 36% of American Internet users with a college education.¹⁰

The New Buying Process

Information asymmetry gives modern B2B buyers an enormous advantage over their counterparts in sales. In late 2010, international agency OgilvyOne Worldwide interviewed 1,000 salespeople in the U.S., U.K., China and Brazil. More than two-thirds of Ogilvy's respondents in all four countries believed the buying process is changing faster than sales organizations are responding.¹¹

Professor Neil Rackham, a pioneering researcher of the sales profession, argues that purchasing has “gone through a major revolution” in the past two decades to emerge as a “vibrant strategic force” in business.¹² Recent developments, including social media, have only accelerated the revolution. The biggest question for Rackham is how and when people on the sales side will react.

“The average company today can access 20 times as much information about you and your competitors as they could access five years ago,” says Rackham. “So you’re no longer dealing with a customer where ignorance is a factor. Sophistication is the nature of customers today, and you need a sophisticated salesperson to be able to handle that.”¹³

Buyers aren't just more informed, but busier. A 2012 survey by International Data Corporation found that B2B technology buyers receive an average of six phone calls and 14 emails per day from vendors. Since they're inundated with data and sales pitches, it's not surprising that the IDC's respondents return a paltry 10.5% of phone calls and 9% of emails from new vendors.¹⁴ Now that informed buyers can thoroughly research their own options, a call from a new sales representative can be more of a nuisance than a service.

Salespeople who get return calls face another challenge: navigating larger buying teams of stakeholders at prospective companies. The number of people involved in a large technology purchase increased from five in 2010 to seven in 2012.¹⁵ As businesspeople become more familiar with the kind of solutions that technology sellers are offering today, more of them participate in buying them. As Kathleen Schaub of IDC states in CRM Magazine, businesspeople “are bringing technological expertise and very sophisticated consumer habits” to work.¹⁶

Although consumerization is particularly relevant for the technology industry, the IDC's research has implications for B2B sellers in other fields, too. Their business customers are essentially socially empowered consumers — except they're armed with the resources, organization, and profit motive of a corporation. B2B buyers are not only able to use the same digital tools as consumers to learn about suppliers, but can work in teams to methodically acquire, organize, and analyze relevant data. By facilitating collaboration and information-sharing within purchasing committees and across entire enterprises, social media helps put buyers in control.

Today's business decision-makers begin their purchases by researching products and services online, and by the time they seek out sales professionals, they're well on their way to making a decision. Forrester reports that 70% of the buying process in a complex sale is already complete before prospects are willing to engage with a live salesperson.¹⁷ A Corporate Executive Board study pegs the figure slightly lower, at nearly 60%.¹⁸

Regardless of the metric, it's clear that buyers have changed their expectations of a salesperson's role in their purchasing decisions. According to one Chief Sales Officer in the CEB study, "Our customers are coming to the table armed to the teeth with a deep understanding of their problem and a well-scoped RFP for a solution. It's turning many of our sales conversations into fulfillment conversations."¹⁹

One of the reasons that salespeople are on the back foot in their first meetings with B2B customers is that the "sales funnel", the long-treasured paradigm of sales teams and their marketing colleagues, is disintegrating. Purchasers no longer move down the funnel in an orderly, predictable process. Kim Celestre, senior analyst for B2B social marketing at Forrester, tells AOL Government that IT decision makers "jump in and out of the process of studying and choosing technology solutions. They access multiple digital touch points along their purchasing journey."²⁰

The Salesperson's New Role

Ironically, it's the sheer volume of online data that gives sellers an opportunity to create value for buyers. Buyers may be incredibly well-informed, but they're desperate to shorten their purchasing cycles. The more data they have to process, and the more stakeholders they must consult, the longer it takes to make a buying decision.²¹

Although enterprise social networks have had a noticeable impact on interdepartmental collaboration and information-sharing, most companies haven't used them speed up decision-making.²² Therefore, information-drenched buyers continue to dip their toes in and out of numerous vendors' sales funnels, testing the waters, while sellers wonder when they'll be ready to take the plunge.

If salespeople could deliver insights to buyers at the right times, they could bring purchasing times down and make everybody happy. But if the statistics show that customers aren't interested in picking up the phone until after they've scoped solutions, how can salespeople reach them early and then keep their attention?

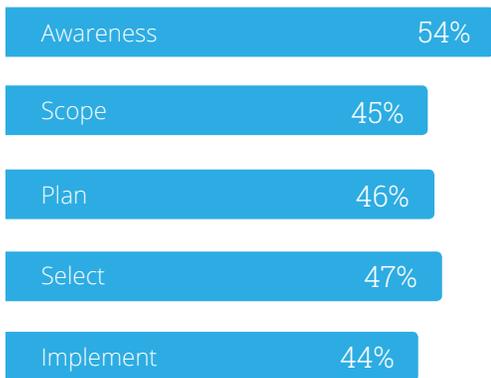
The answer is social selling.

- Sellers can use social media to relate to customers and identify opportunities for engagement at the right time: while they're still conceptualizing their needs.
- Social media is asynchronous and non-interruptive, which makes it perfect for reaching buyers who are still kicking tires.
- Social networks help salespeople establish authenticity and credibility online, so customers consult with them instead of deleting their voicemails.
- Continuous participation within relevant social groups allows salespeople to stay visible and valuable throughout their customers' winding, non-linear buying journeys.

In a LinkedIn-commissioned study in August 2012, Forrester found that social networks are a critical source of influence on decision-makers in every phase of the IT purchase process. In each of the five phases of decision-making, social networks influence nearly half of all IT decision-makers involved in that phase.²³

Forrester discovered that decision-makers participate on social networks for business in large part because they can learn from a broad network trusted peers and find information quickly. On LinkedIn, for example, groups of decision-makers organize around particular industries and professions to discuss the business issues that matter to them. These conversations are highly influential on their purchasing choices.

Percentage of IT Buyers Influenced by Social Sources, by Decision-Making Stage



Source: Forrester

The opportunity for sellers is not in hijacking these peer groups for sales pitches, but in being insightful and helpful to buyers at the right time and place. Forrester’s respondents cited “relevant context to connect with vendors” as one of the top reasons they use social networks for business, and 73% of them have engaged with a vendor on a social network.

The opportunity for sellers is in being insightful and helpful to buyers at the right time and place.

Providing relevant, well-targeted content is the best thing a sales representative can do when reaching out to a prospect. During the pre-purchase phases of their decision-making, buyers value consumption of vendor content more than they value sales calls. They feel the most motivation to return a reach out when “the rep has provided me with some type of value in return for my interaction with them” such as a webcast or white paper.²⁴

The State of Social Selling

Social selling is part of the broader concept of social business, which IBM defines as “embedding social tools, media, and practices into the ongoing activities of the organization.” To date, the focus of social business has been in promotional activities, with the marketing and public relations departments leading the way for most companies. However, within the next two years that focus is projected to shift toward lead generation, revenue, and post-sale service.²⁵

IBM’s Institute for Business Value reports that a majority of companies are already applying social business within their marketing and public relations functions, but because of their delayed start, sales and customer service are now expected to grow most rapidly in social business. In IBM’s estimate, 60% of companies will have adopted social business practices in their sales functions within the next two years.²⁶

Formalized Customer-Facing Social Media Efforts by Group



Source: Altimeter Group

As they transition to social business, sales departments must choose the right technologies, but their initiatives will succeed or fail based on how well they are supported through policy and training. Unfortunately,

in 2011, Altimeter Group reported an alarming lack of official social media policies within sales departments. Only 11% of companies had formalized customer-facing social media efforts for sales, compared to 82% for marketing.²⁷

Strategy and Training

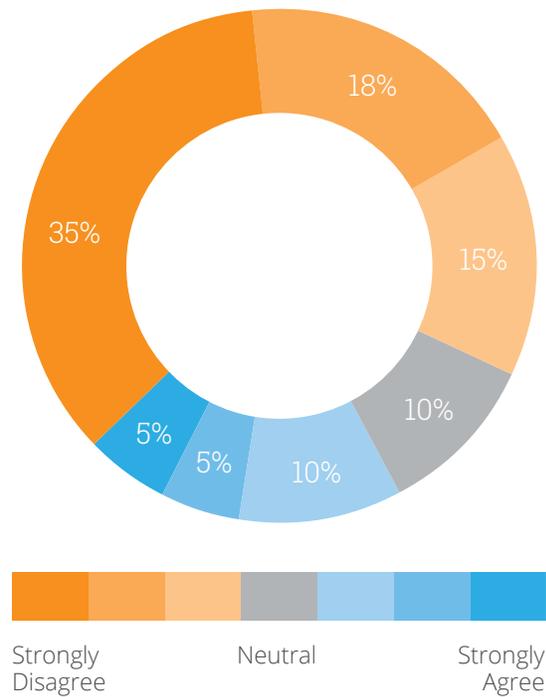
Although sales managers are now using social media at the individual level to an impressive degree, most of their organizations don't have adequate social media training programs.

In the spring of 2012, when the Sales Management Association (SMA) surveyed sales managers and sales operations leaders at 140 firms, they found that 96% of them use LinkedIn at least once a week and spend an average of six hours per week on the site. Roughly 80% of these leaders believe their sales force would be more productive with a greater social media presence, and more than half of them expect to increase their engagement with LinkedIn, Facebook and Twitter.²⁸

For most sales organizations, however, management's openness to social media hasn't translated into strategic social selling. Roughly two-thirds of the firms surveyed by the SMA do not have a social media strategy for the sales organization, and only about one-third of respondents believe their firms are undertaking "significant" social media engagement. A majority of the SMA's respondents think that their sales force lacks a solid understanding of social media, and few have had sufficient social media training (see graph). Furthermore, they believe that their own firms' social media engagement lacks that of their important customers.²⁹

Social Media Education in Sales

I have received sufficient training from my organization on using social media.



Source: Sales Management Association

In 2013, sales organizations are likely to advance beyond experimentation in social media. Ralf VonSosen, LinkedIn's Head of Marketing for Sales Solutions, believes the need of social media training in sales forces will be widely addressed "within the next 9-12 months."³⁰

Meanwhile, some early adopters of social selling methods have already learned from their first experiments and have moved into the standardization phase. Data from Aberdeen Research Group reveals that "best-in-class" sales organizations are separating themselves from the pack in social media education (see chart). A typical "best-in-class" sales team not only supports its sales representatives with training, but has an identified evangelist for spreading internal use, monitoring, and best practices of social media.³¹

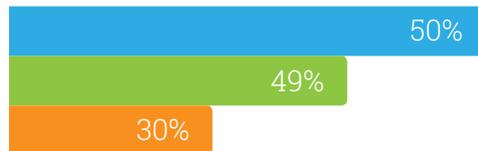
Aberdeen's "best-in-class" sales teams dramatically outperform industry average teams in several metrics including year-over-year increase in company revenue, year-over-year increase in average deal size, quota attainment, and sales cycle length. The positive correlation between social media education and sales performance may indicate that the most successful teams can pay for training of new best practices, while the least successful struggle just to stay afloat.

Sales teams that are behind the curve today can't make up for lost time unless they formulate a social media policy and commit to training their staff, either internally or externally. Merely encouraging reps to start using social media is not a recipe for success.

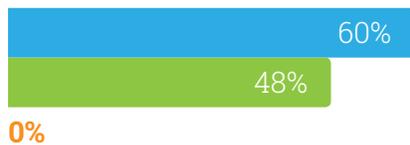
Social Selling Strategies, by Class



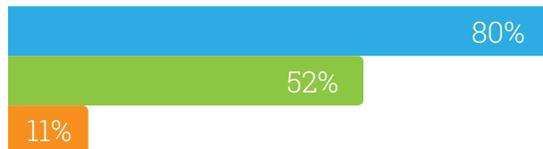
Educate sales staff on use of external social media tools



Educate sales staff on use of internal social media tools



Have an identified social media evangelist



Source: Aberdeen Group

Enterprise Social Technology for Social Selling

Increasingly, sales organizations are adopting social business technologies to enhance their external social activities through better internal collaboration. Many of these social business technologies, including Hootsuite, are cloud-based Software as a Service (SaaS) applications that have been designed to work not only with social networks like LinkedIn and Twitter, but also with each other. Due to their interoperability and versatility, enterprise social tools can be deployed in a variety of configurations to suit different businesses.

- **Social Media Management Systems (SMMS)** allow salespeople to collaborate in social listening and engagement. They enable secure sharing of social network profiles, cooperative monitoring of sales prospects and sophisticated social media analytics. An SMMS with team functionality also bridges the gap between external social networks and internal communities.
- **Enterprise Social Networks (ESNs)** facilitate information sharing within the sales organization and with other business functions, including marketing and customer service. These internal channels help salespeople share best practices and receive sales enablement resources.
- **Social Customer Relationship Management (Social CRM)** applications organize and archive social communications with prospects, making them viewable to other team members. Social CRM also improves post-sale services, especially if the sales and customer service functions are integrated.
- **Sales Intelligence (SI)** services enhance social media listening by identifying decision-makers and notifying sellers of possible trigger moments such as new hires and promotions. Since sales representatives spend roughly a quarter of their work week on account research and lead generation, any improvement in these activities can have a significant impact on revenue.³²
- **Social graphs** visualize complex interrelationships among colleagues, partners, customers and prospects, so salespeople understand how they can reinforce their co-workers' efforts instead of duplicating them.

Again, training is fundamental to success. According to Gartner, a "provide and pray" approach to social tools has about a 90% failure rate.³³ With the right combination of people, platform and procedures, however, a sales organization turns its sales reps into social dynamos. Socially empowered sellers are more informed and enjoy better connections to the human resources within their own team and in other departments. Aberdeen found that 88% of "best-in-class" sales organizations employ social media to capture and disseminate documents internally. The best sales teams also have internal subject experts or other go-to staff members specifically focused on social media.³⁴

Collaboration with Marketing

Implementation of collaborative social business practices is crucial for both sales and marketing, which need to work more closely than ever to give buyers the right information at the right time.

Content Marketing

If sales managers want their reps to be effective social sellers, they must work with their colleagues in the marketing function on content strategy. Content marketing is now employed by 91% of B2B marketers. On average, they devote a third of their budget to content marketing, and more than half of them expect to spend more next year.³⁵

Fortunately, a trend toward in-house production of B2B marketing content indicates that sellers have a chance to collaborate closely with the people who make the content they rely on for engagement. In 2012, the number of B2B marketers creating all of their content in-house increased from 38% to 56%, and just 1% of B2B companies now outsource all of their content creation.³⁶

Content segmentation

Since social engagement relies so heavily on providing relevant, custom content, it's important for marketing and sales to conduct an audit of their content library. An audit is a chance for both departments to get on the same page regarding what content works, what needs to be replaced, and what's missing.

Buyer personas. The Content Marketing Institute and MarketingProfs have found that 71% of the most successful B2B content marketers tailor content to the profile of decision-makers, compared to 41% of those ranked least effective.³⁷

Phases of the buying journey. Companies have an opportunity to get ahead of competitors by tailoring content to stages of the buying cycle — only 42% of B2B organizations do so, up from 39% a year ago.³⁸

Although marketers must support sales with quality content, potential buyers want to see that sales professionals are knowledgeable in their own right, not just outlets for marketing campaigns. Sellers should not only use their social media profiles to amplify official company messaging. They should also share industry news, third-party reports and any other content that is relevant to the communities they interact with, along with original commentary that establishes their credibility.

How Hootsuite Helps Your Sales Team

Hootsuite University

Give your staff the social media education they need to excel as individuals and as a team.

Social Listening

Listen to the real-time conversation and discover opportunities for engagement with existing accounts and new prospects alike. Simultaneously monitor multiple social networks for brand mentions and other keywords, including competitors' names.

Social Sharing

Publish to LinkedIn, Twitter, and other social networks to establish your online persona and make yourself a magnet for buyers. Save time by scheduling your social sharing across multiple networks, leaving more time for account research and real-time contact.

Teamwork

Make social listening into a collaborative process with shared streams, message assignments, and other team functionality. Coordinate with Marketing in Conversations, our back-end communication tool, to ensure that every member of the sales team has the best content for social sharing.

LinkedIn Groups

Set up dedicated streams for every one of your LinkedIn Groups in the Hootsuite dashboard, so you never miss an opportunity to engage. Publish to your LinkedIn profile or a specific group (or all of them at once) from the dashboard or the Hootlet, our browser plugin.

App Directory

Use Hubspot and Needtagger to streamline your social prospecting and coordinate with Marketing. Give your accounts better post-sale support thanks to Hootsuite's seamless integration with Zendesk, Nimble, Get Satisfaction, and other Social CRM apps.

Go Mobile

Listen and engage at any time, in any place. Hootsuite's mobile apps bring your dashboard with you, so you can keep in touch with your accounts even while you're on the road.

To find out more, visit enterprise.hootsuite.com

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About Hootsuite Enterprise

Partner with Hootsuite to accelerate your social transformation



Hootsuite Enterprise empowers organizations to execute business strategies for the social media era. As the world's most widely used social relationship platform, Hootsuite Enterprise enables global businesses to scale social media activities across multiple teams, departments, and business units. Our versatile platform supports a thriving ecosystem of technology integrations, allowing businesses to extend social media into existing systems and programs.

We help organizations create deeper relationships with customers and draw meaningful insights from social media data. Innovating since day one, we continue to help businesses pioneer the social media landscape and accelerate their success through education and professional services.

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