



What's Next for B2B Social Media?

“There’s a sucker born every minute,” declared David Hannum, a nineteenth-century showman and rival of circus impresario P.T. Barnum. That statement may have been true when Hannum was perpetuating the Cardiff Giant hoax in the 1860s,¹ but it doesn’t hold water today.

“Wait a minute,” you object. “I thought Barnum uttered that famous quote.”

Nope. Google it. As Casey Stengel (not Yogi Berra) once said, “You could look it up.” (Not “You can look it up,” as many people misstate that quote as well.)

We’ve just shown you two examples of why the half-life of misinformation is becoming perilously short in the days of social media. Today, we are just a few clicks away from the truth, or at least popular opinion, about almost anything. As barriers to information sharing have fallen away, our ability to be misinformed has diminished. The consequences of this change on businesses and institutions is nothing short of revolutionary.

There are still suckers in the world, but today they’re also informants. Experiences are quickly shared online, and those who try to

obfuscate or deceive are rapidly unmasked. Transparency happens. Opacity is death.

Social media is not a strategy or tactic. It's a channel that no one controls. Customers can use it to talk about you as easily as you can use it to talk about yourself. Now that anyone can publish and search, buyers and sellers can easily discover one another. Sharing insulates people from repeating others' mistakes.

To succeed with social marketing, a company must surrender ultimate control of the message. Social media will instantly fact-check claims against a global encyclopedia of customer experience. Business marketers will learn to promote positive customer interactions, invite feedback, and participate in existing conversations. They will also learn that social media impacts every corner of the operation, not just the marketing department.

Social marketing is a team sport. To win, companies must convince their advocates to engage and devote resources to listening. "You can just broadcast company news, but I don't think that's too interesting," says Adam Ostrow, editor-in-chief of Mashable.com, a social media news site. "The way we use social media as a brand, and the way businesses we like are using it, is to interact."

In *The World Is Flat*, Thomas Friedman observed that the Internet is neutralizing historical and geographical divisions and creating a field in which competitors half a world away can play as easily as if they were next door. This will force businesses to reassess their value propositions. Proximity and exclusivity will be less important. Businesses that thrived in the past because they were the only game in town will find themselves suddenly marginalized. Differentiators like customer service, innovation, and relationships will become critical. B2B companies will have a somewhat easier time with this transformation because their customers are more likely to value relationships than people who buy consumer products. But almost no one will be untouched by this redistribution of priorities.

Five years ago, Paul paid a professional designer \$1,000 to create a business logo in a process that consumed over a month of time. Two years ago, he farmed out a comparable job to an Indian designer he had never met who finished the job in three days. Price: \$47.

Lesson: If you're in the graphic design business these days, you'd better be scrambling to find a niche.

Crowdsourcing—or outsourcing projects to freelancers through an online work exchange network like Elance, Guru.com, or Amazon's Mechanical Turk—is undermining the value of proximity. These networks provide access to a global marketplace of talent from every desktop. They are massively disrupting some markets, but enabling others, as in the case of the Oil Spill Recovery Institute, which solved an intractable problem by asking the world for help (see Chapter 13).

“Ecosystems around platforms like Mechanical Turk and new entrant LiveWork will likely exceed \$100 million per year, as will offerings from mature services like Elance and Guru.com as they continue to perfect the user experience across a wide range of work categories,” concluded a study conducted by SmartSheet.com.²

Inside-Out Marketing

Social media is forcing companies to look beyond external communications and take stock of their internal practices as well. The fresh crop of young recruits now arriving on the scene will expect to use the same tools in business that they use at home. Employers who continue to restrict access to Facebook, YouTube, and other tools of communication will find themselves increasingly isolated. Whether people are using Twitter or something else a decade from now doesn't matter; they will never give up the freedom it brings. “Letting people do what they do and socialize in a way that supports their work is going to be critically important,” says Chris Messina, open web advocate at Google.

Social media shifts the balance of power from employer to employee. Glassdoor.com is a social network where people share inside information about the places they work, including salary data. On Unvarnished.com, members rate the performance of their colleagues. Hiring managers at listed companies have far less flexibility to dicker on salary or candy-coat workplace conditions. Employees no longer need to accept a new position at a company to see if it's a good fit.

Businesses that want to hire the best and the brightest need to create an environment that employees will recommend to their peers.

The business of public relations is changing, too. Press releases, although often necessary, are highly inefficient. While organizations struggle to approve them, unofficial voices fill the void with opinions. The chain of command simply cannot keep pace with the speed of the crowd. Just ask BP LLC.

Examine your internal and external business practices. Try to learn how you can communicate more openly and rationalize what you're saying with what others are saying about you. It's the only way to have any control over the message.

Secrets of the River

People love to watch rivers, even if they're online. In Facebook, the newsfeed captivates our attention. In Twitter, it's the continuously updated tweet stream. In Google Analytics, it's the ability to visualize the behavior of our visitors over time. These are activity streams—digestible, bite-size chunks of information that keep us continuously informed about people, projects, and topics. They may just be the killer application of B2B social technology.

Sourceforge.org is a web site where software developers share and improve freely shared source code. The community solves problems more quickly than any individual member could because no one has control. Github.com is an alternative to Sourceforge that has a built-in activity stream. “I can friend or follow that code,” says Google's Messina. “If any improvements are made, they appear in my activity stream.”

Employees can use activity streams to keep abreast of deadlines and monitor the work of their colleagues. Project dependencies and milestones can trigger alerts that contributions are needed. If a project participant is reassigned or calls in sick, everyone who monitors the stream is informed. Being “in the loop” is no longer a matter of being on the right e-mail list. Anyone who's interested in an activity can subscribe to it.

Chatter is Salesforce.com's enterprise collaboration platform. It automatically pushes status reports and details to everyone who follows

a project. Participants can update the activity stream and recipients can define sophisticated rules to filter the information they see. Instead of digging through e-mail inboxes choked with irrelevant information, people subscribe to what they need to know and unsubscribe when they're no longer interested.

Activity streams will revolutionize web analytics and replace project reports. Why spend the time creating a status report, when you can simply archive your status updates? In the future, we'll be able to watch activity on our web sites like we watch a movie. We'll rewind and zoom in on important events and members will opt in to tell us what content they shared and with whom. Businesses will gain insight into visitor motivations, not just entry pages and session lengths. Correlating content with activity streams will give us a much better gauge of how people react to our content.

The commercial Internet started life as a collection of static pages. In the future, it will be more like a river. But the rapids, eddies, and meanders will emerge and disappear with stunning speed. The challenge for businesses will be to anticipate them and react in anticipation.

Seven Habits of Highly Effective B2B Social Marketers

Altimeter Group analyst Jeremiah Owyang has said, "For business, real-time is no longer fast enough." As scary as that sounds, there's a lot of truth to it. In Chapter 1, we suggested that businesses must learn to get comfortable with making mistakes because markets no longer permit the luxury of taking the time to avoid them. Rapid response is replacing risk analysis. The most essential skill of the B2B marketer has become the ability to listen.

We wrap up our short look forward with a list of what we believe will be the essential attributes of successful B2B social marketers:

1. They will trust people to do the right thing.
In *The Starfish and The Spider*, Ori Brafman and Rod Beckman argue that the top-down, militaristic hierarchies of the

industrial age are far more vulnerable to failure than self-healing decentralized systems. If you crush the head of a spider, its legs are useless. But if you cut off the leg of a starfish, it grows a new one. If your company is regenerative, then people and jobs can adapt more quickly at less cost. To get there, “you have to push more responsibility and control to the edges of the org chart,” says Google’s Messina.

2. They will think like customers.

Rather than focus on what internal advocates think is important, marketers will learn to focus on what’s important to customers. They will also learn to listen for implicit as well as explicit needs, understanding that customers often articulate problems better than solutions.

Dell and Salesforce.com are two of the leaders in this area.

Rather than guess what new products to develop, they listen to what customers say in online communities or they simply ask what customers want.

3. They will be interactive.

Facebook’s appeal is in its ability to connect people. In contrast, most web sites are still one-way channels. Engagement is an e-mail address, a web form, or a “request a quote” button. Static sites are far less interesting than social ones. Successful social marketers will leverage the technology of connection.

4. They won’t get eaten.

The Internet is chewing up entire industries. “The rule of cannibalization is you either cannibalize yourself, or someone else does it for you,” says Pete Cashmore, chief executive officer (CEO) of Mashable.com. There is opportunity in destruction. Apple changed the music industry by making it easier for people to buy the song instead the album. While the old guard tried to rescue a dying business model, Apple invented a new one. Successful marketers will recognize when customer behavior is changing and anticipate opportunities these changes create.

This won’t be easy or painless. The Internet is removing inefficiencies from many business processes with stunning

speed. A lot of large and profitable industries—like mainstream media—are structurally inefficient. They and the people who work for them are suffering terribly as these institutions are torn down. Efficiency can be painful. The Industrial Revolution gutted the livelihoods of many blacksmiths, cobblers and woodworkers, but a half-century later, it would have been hard to argue that our economy wasn't better off for the productivity gains.

5. They will be action-oriented.

Setting up a council to draft a report on the potential impact of social media to be reviewed by upper management is a stall tactic. By the time a strategy is in place, competitors have moved on to something else. Planning cycles will be much shorter and action much quicker in the future. Successful companies will understand that speed creates the risk of error, but they'll tolerate that downside in exchange for more agility.

6. They will understand their unique value proposition.

Businesses should be thinking about how the Internet changes their value proposition and move to where the puck is going to be. They will constantly look for sources of sustainable competitive advantage. Here are three B2B examples:

Discount Provider. VistaPrint, a provider of low-cost, short-run printing and online marketing tools, stays on top of a cost-sensitive business by giving small business owners all sorts of free educational content about how to market with their products and services. The company maintains a comprehensive online marketing center and ongoing calendar of webinars that cover everything from social media marketing to writing compelling copy. It provides access to valuable content in exchange for the right to market to those who consume it.

Specialized Provider. Indium Corporation addresses a highly specialized market by putting engineers in direct contact with customers. "Engineers think a certain way and speak certain languages. We get everyone else out

of the middle,” says Indium’s Rick Short. Adds Mark Drapeau, online public diplomacy director at Microsoft, “If you’re a marketing or PR person, you’re just a conduit. Use social media to expose expertise to a broader audience.”

High-End Provider. Korn/Ferry International is the world’s largest executive recruiting firm. It places only those executives who earn \$250,000 per year or more. “The process of finding candidates is becoming commoditized,” says Korn/Ferry executive vice president Don Spetner. “The real value comes in helping clients assess the fit of a candidate and providing services to help them retain and maximize their performance.” To reinforce that value, Korn/Ferry developed a proprietary online assessment tool that analyzes how candidates think.

7. They will fly without a net.

At Facebook, employees develop new features on the live site. There is no replicated development database because that would delay the deployment of new features. That gives Facebook the ability to deploy new features very quickly. Google tests many of its innovations in public, acknowledging all the while that features may not work the way they’re intended.

These companies are learning, in the words of author Mike Moran, to *Do It Wrong Quickly*. They understand that customers can be remarkably forgiving if they know that the company is testing uncharted waters, particularly if those customers can see the people behind the effort.

The new world of B2B marketing is fraught with chaos, peril, uncertainty, and unprecedented opportunity. How lucky you are to be part of it!