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Social Selling: Leveraging the Power of User-Generated Content to Optimize Sales Results

The use of Social Media has become virtually universal, both for personal use as well as for a fast-growing set of business-to-consumer (B2C) applications. In the case of business-to-business (B2B) interactions, however, adoption rates have not been growing at as aggressive a pace. Still, new Aberdeen research on Social Selling reveals a number of best practices that contemporary professional sales organizations are using to grow their B2B success stories. This Research Brief will explore how top-performing companies enable their sellers with the most effective tools to collaborate, listen, and contribute to the world of user-generated content.

Research Brief

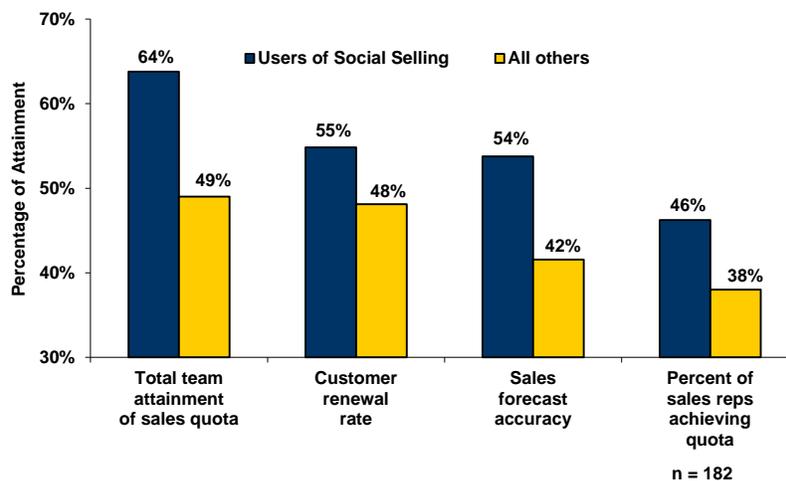
Aberdeen's Research Briefs provide a detailed exploration of key findings from a primary research study, including key performance indicators, Best-in-Class insight, and vendor insight.

Setting the Stage: Social Selling Defined

In May and June 2012, Aberdeen collected the survey results from 182 end-users regarding their use of social media to support sales effectiveness, with the resulting research to be published in *Social Selling: Unleashing the Power of Social Media on B2B Sales Enablement* (Q4 2012). By defining "social selling" as utilization of one of the three following practices, we see in Figure 1 that users of social selling far out-pace other companies around a number of key performance indicators (KPIs) directly related to sales effectiveness:

- **Social Collaboration:** The use of social media platforms to communicate with internal or channel partner team members, in order to benefit from shared "tribal knowledge" in acquiring / servicing customers.

Figure 1: Current Performance Benefits of Social Selling



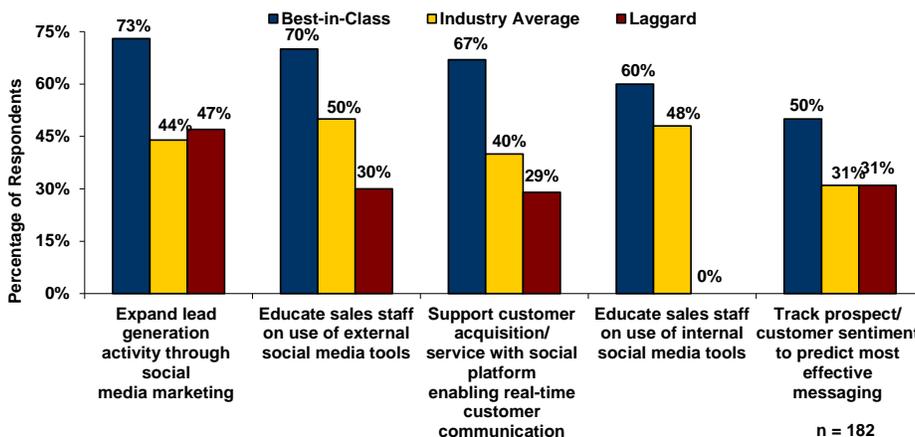
Source: Aberdeen Group, June 2012

- **External Listening:** Traditional sales intelligence, i.e. demographic data about people and companies, has become little more than a commodity. Instead, the more relevant information about prospects / customers is behavioral, i.e. what are they thinking or doing, and is best collected via user-generated content regarding the individuals, organizations and trends that impact the selling / buying relationship.
- **External Participation:** While the first instinct of most salespeople is naturally to sell, a more cautious approach focused on providing subject matter expertise can be a more effective way to build credibility with a prospective customer. Buyers who have become unresponsive to traditional sales / marketing messages are more likely to engage with someone who has added value to their business; social communications are a natural fit for this approach.

Best-in-Class Use of Social Selling

For this study, Aberdeen has determined the Best-in-Class cohort of the most successful companies, as determined by KPIs relevant to sales achievements – see sidebar. Like Industry Average and Laggard firms, these top performers provide Aberdeen with insight into the external business pressures that motivate them to use social selling tools. The leading pressure reported by the Best-in-Class is “Customer and prospects are communicating on social networks; we need to be there too” (71% nominated it as a top-two concern), followed by “Address the diminishing effectiveness of traditional marketing activities,” at 57% of the Best-in-Class. These two imperatives tell a compelling story regarding why social selling is so crucial: the need to communicate with buyers in the spaces they occupy, and to put aside the traditional reliance on the Marketing function to simply serve up highly qualified sales leads.

Figure 2: Social Selling Strategies, by Best-in-Class



Source: Aberdeen Group, June 2012

Indeed, looking at the actions that companies take to alleviate these pressures, we see in Figure 2 that the most successful companies significantly out-adopt

The Social Selling Best-in-Class

In April and May 2012, Aberdeen surveyed 173 end-user sales organizations to understand how the top performers among them use social media. The performance metrics used to define the Best-in-Class (top 20%), Industry Average (middle 50%) and Laggard (bottom 30%) among these sales teams are:

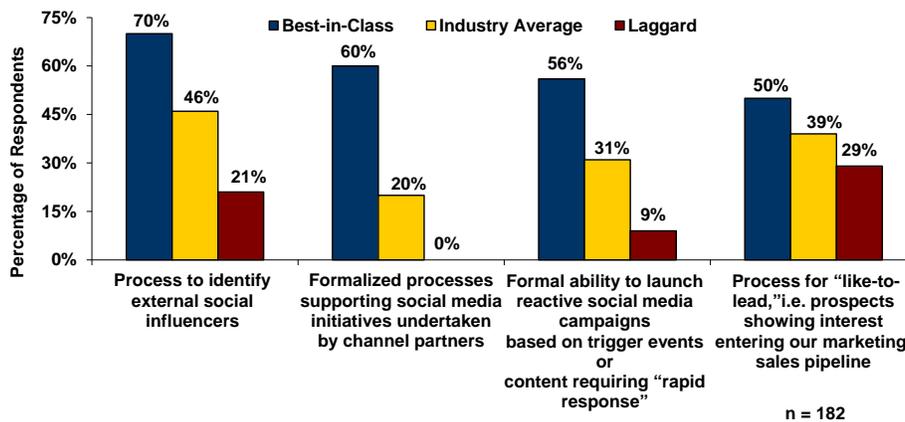
- ✓ 79% of sales reps achieved quota in the last calendar or fiscal year, compared with 43% and 15% among Industry Average and Laggard firms
- ✓ 16.3% year-over-year increase in total company revenue, versus 4.1% for Industry Average companies and an 8.7% decline among Laggards
- ✓ 8.9% year-over-year increase in average deal size or contract value; Industry Average and Laggard companies reported 1.7% increase and a 6.6% decline, respectively
- ✓ The average sales cycle was shortened by the Best-in-Class by 0.7%, and by Industry Average firms by 0.2%; Laggards report an average lengthening of the sales cycle of 5.3%

others in terms of both marketing- and sales-centric strategies to help both their own staff, and prospects / customers, with these social tools. Of particular note is the dramatic difference between high and low-performing companies regarding adoption rates of strategies such as coaching sales team members around the nuances of successfully deploying social selling practices.

Supporting Social Selling with Superior Capabilities

Once these highly effective social selling strategies are in place, organizations are able to support their sales and service personnel with core competencies that ensure the best opportunities for them to succeed. In Figure 3, we look at a number of process-oriented business capabilities that the Best-in-Class are deploying more frequently than other firms. These approaches share in common an awareness of the many external constituencies – over whom sales organizations traditionally have little control – that can impact overall corporate success or failure. These processes give sellers an edge in many situations by intelligently deploying social media tools:

Figure 3: Better Processes Yield Better Results



Source: Aberdeen Group, June 2012

- Identify external social influencers:** with the Best-in-Class more than three-times as likely as Laggards (70% vs. 21%) to support their sellers in this way, such top-performing companies are enabling their team members to recognize and monitor the bloggers, tweeters and other free-form commenters who can potentially reveal both positive and negative customer sentiment about the company and its products.
- Provide channel partners with social selling support:** Aberdeen research published in [Partner Relationship Management: Channeling Better Sales Results](#) (March, 2012) showcased a Best-in-Class (defined by peak results in channel sales quota attainment, and growth in channel lead conversion rates and overall corporate revenue) that was 63% more likely than other companies (31% vs. 19%) to provide "Syndicated social media providing posts about news, market changes and trigger events." Simply put: if your revenue is partner-driven, why

Aberdeen's PACE Methodology

Aberdeen applies a methodology to benchmark research that evaluates the business Pressures, Actions, Capabilities, and Enablers (PACE) that indicate corporate behavior in specific business processes:

- ✓ Pressures — external forces that impact an organization's market position, competitiveness, or business operations.
- ✓ Actions — the strategic approaches that an organization takes in response to industry pressures.
- ✓ Capabilities — the business process competencies (process, organization, performance and knowledge management) required to execute corporate strategy.
- ✓ Enablers — the key functionality of technology solutions required to support the organization's enabling business practices.

not provide them with the same support you offer on-staff sellers, especially if your channel does not sell exclusively for you?

- **Rapid response capability:** Today’s 24-hour news cycle practically demands – and enables – the tracking of user-generated content in real-time, accompanied by a response to any political, product challenge or sudden event with immediate effectiveness. In practical B2B terms, this translates into sales teams tapping into the social media stream so that important events – mergers / acquisitions, C-level personnel changes, legislation that impacts products or services – can be digested and responded to with organized, prepared and effective sales activities. For example, a user-generated LinkedIn update about a senior line-of-business leader changing roles, can be leveraged by an attentive account manager in the middle of selling to the executive’s former firm – the sales approach will need to be quickly re-crafted – as well as gaining the upper-hand by being “first in the door” regarding the contact’s new role.
- **“Like-to-lead” jumps from consumer to business:** most of us are now seeing Facebook ads triggered by the people, pages and institutions we follow. In the B2B space, the similar act of sharing content generates an opt-in approach that marketers love, because they are pinpointing more likely sales-ready leads based on the active nature of content curation, as opposed to the passive use of increasingly ineffective purchased email lists. The Best-in-Class are 39% more likely than other companies (50% vs. 36%) to adopt this new and rapidly growing approach to targeted marketing and selling.

In addition to these process-oriented capabilities, we see in Table I a number of knowledge management competencies implemented by the Best-in-Class at dramatically higher rates than under-performing survey respondent organizations.

Table I: Knowledge Management Social Selling Best Practices

Knowledge Management Capability	Best-in-Class	Industry Average	Laggard
Social media used to capture and disseminate documents internally	88%	43%	22%
Use of customer / prospect data to drive marketing or selling messaging	75%	50%	27%
Private “deal room” or workspace used by both buyer and seller	75%	19%	0%
Capture data to engage customers through personalized social communications	70%	35%	40%

Source: Aberdeen Group, June 2012

Whether using social media tools to collaborate internally or interact with prospects / customers while armed with highly specific intelligence about

Sector Definition: Social Selling

For the purposes of this research, “social selling” refers to Best-in-Class adoption of: (1) internal collaborative social tools used by sales professionals to benefit team-based selling; (2) how sales teams “listen” to external social content pertaining to their customers, accounts and target markets; and (3) active use of posts, tweets or wikis by sales reps who contribute to the online conversations, in order to more effectively impact eventual buying decisions.

Fast Facts: Organizational Capabilities Supporting Social Selling

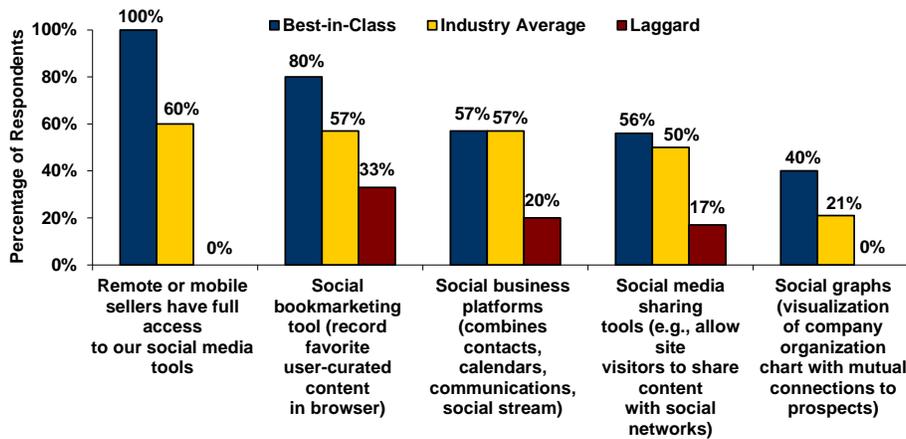
- √ 80% of the Best-in-Class have an identified internal evangelist for spreading internal use, monitoring and best practices of social media, vs. 52% of Industry Average and 11% of Laggard firms.
- √ 75% of the Best-in-Class have internal subject matter experts (SMEs) or other go-to staff members specifically focused on social media; 70% and 27% respectively of Average and Laggard companies do the same.
- √ A company policy for employee use of social media exists within 60% of the Best-in-Class, 50% of the Industry Average, and 8% of Laggards.
- √ 60% of Best-in-Class companies train sales employees to engage in online conversation with prospective or current customers; Industry Average and Laggard organizations do so at 36% and 19% respectively.

their behavior, likes and priorities, these highly successful sales organizations demonstrate the superior use – and benefits – of social selling.

Enabling Success: What are the Right Tools?

With knowledge management and processes optimized for effective social selling, let’s examine which technology enablers are most frequently deployed to leverage these core competencies. As summarized in Figure 4, we see a striking comparison: 100% Best-in-Class adoption of mobile access to social media tools, compared with literally 0% among the under-performing Laggards. We know from Aberdeen research in [Sales Mobility: How Best-in-Class Remote Sellers Are Replacing “See” with “Do”](#) (April 2012) that 50% of this Best-in-Class (the strongest performers around sales quota attainment, lead conversion and customer retention rates) provided their front-line sellers with “mobile access to social media content (either internal collaboration tools or external sites),” compared with 37% of all other companies. This gap is far wider in the current Social Selling research, underscoring the need to empower sales and account reps with an anytime / anywhere / any device ability to sell socially.

Figure 4: Technology Enablers Driving Social Selling Performance



n = 182

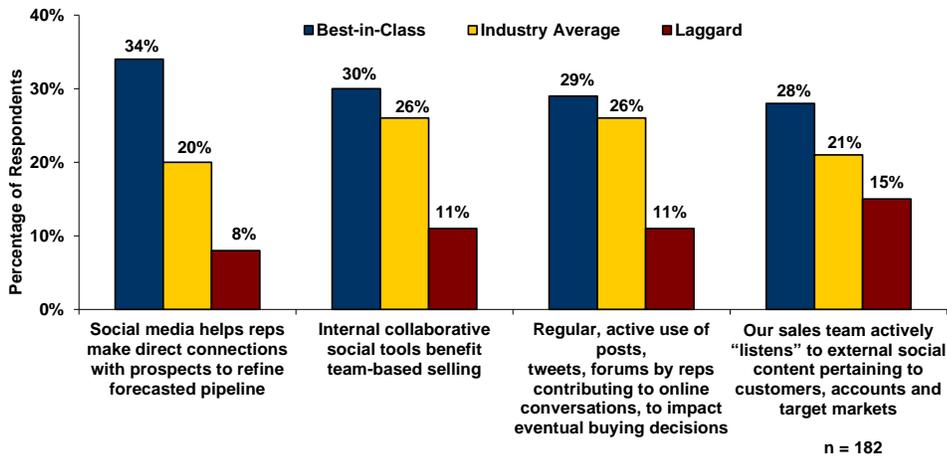
Source: Aberdeen Group, June 2012

Additional enablers showcased as Best-in-Class favorites in Figure 4 include the ability to share / curate content that can be leveraged by selling teammates, the advantages of combining all of this data into a single selling platform, and a relatively new solution, social graphs. These visualizations of one’s social relationship to co-workers, prospects or customers can help locate an internal subject matter expert, or choose which external individuals may be easiest to contact due to shared interests or connections.

Conclusion: Making the Most of Social Selling

For organizations that have successfully deployed the capabilities and enablers above, a number of advanced protocols and activities, while not in widespread use by all companies, nevertheless are supported by more Best-in-Class sales organizations than Industry Average or Laggard companies – Figure 5.

Figure 5: Best Practices for Mature Social Sellers



Source: Aberdeen Group, June 2012

These “master-class” approaches reveal the value of individual sales reps taking the time to build up their own online profile, through the curation of relevant content; making connections with prospects, customers and partners; and collaborating with team members to share and deploy best practices that become, essentially, a rising tide that lifts all the ships of quota attainment.

For more information on this or other research topics, please visit www.aberdeen.com.

Related Research	
<u><i>Better Sales Forecasting Through Process and Technology: No Crystal Ball Required</i></u> ; July 2012 <u><i>Sales Intelligence: What B2B Sellers Need To Know Before the Call</i></u> ; June 2012 <u><i>Sales Mobility: How Best-in-Class Remote Sellers Are Replacing “See” with “Do”</i></u> ; May 2012 <u><i>Lead-To-Win 2012: Managing People, Process and Technology to Optimize the Last Mile of the Sales Cycle</i></u> ; March 2011 <u><i>Partner Relationship Management: Channeling Better Sales Results</i></u> ; March 2011	<u><i>Sales Performance Management 2012: How the Best-in-Class Optimize the Front Line to Grow the Bottom Line</i></u> ; December 2011 <u><i>Sales and Marketing Alignment: The New Power Couple</i></u> ; December, 2011 <u><i>Sales Training 2011: Uncovering How the Best-in-Class Sustain, Reinforce and Leverage Best Selling Practices</i></u> ; October 2011 <u><i>Leveraging the 360 Degree Customer View to Maximize Up-Sell and Cross-Sell Potential</i></u> ; September 2011 <u><i>Streamlining the Top of the Funnel: How Inside Sales Teams Source, Qualify and Close Business</i></u> ; February 2011
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