



Social Media Use in the Industrial Sector



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Executive Summary

Social media is a business asset that can help your organization get found by and engage with your target audiences online. Research shows that the use of social media in the B2B sector is growing.

When integrated into your overall marketing efforts, social media offers another opportunity for businesses to engage in conversations with their audiences: customers, prospects, industry followers and others. Companies can take advantage of social media to discover what people are saying about their company—both good and bad—and use those discoveries to improve their company image, positioning, products and policies, and to generate more momentum and brand awareness for their company.

As a marketing professional working in the industrial sector, you face a number of challenges in finding out how social media fits into your overall marketing strategy. You must answer questions such as: how is our target audience using social media? When should we get involved in social media, and to what extent? How can social media support or complement our existing marketing efforts?

GlobalSpec recently conducted a Social Media Survey of engineering, technical, manufacturing and industrial professionals. Although the survey shows that use of social media for work-related purposes is limited among this audience, there is some adoption. For work-related purposes, this audience still relies more on other online media such as general search engines (Google, Yahoo!, etc.), GlobalSpec, online catalogs, and supplier Web sites. Additionally, use of social media among this audience is still largely passive—they prefer to read and watch content, versus creating content.

Therefore, even though it is time to explore social media tools, marketers must keep their focus on investing in their existing online marketing programs and only deploy marketing resources or budget to social media as appropriate. You also must develop a vision and define goals for social media before investing in it. And you should understand that social media is not “instead of” other marketing; it’s always “in addition to” other marketing efforts—integrated with your overall marketing strategy.





An Introduction to Social Media

Look around on the Internet—you'll find plenty of definitions of social media. They have in common the concept that social media consists of a group of online technologies allowing users to create, share and discuss information, and to connect with each other over common interests.

At the core of social media is the idea that people learn from each other by engaging in online conversations. Through social media conversations, users express and listen to opinions, teach and learn from one another, and energize each other.

For businesses, social media offers an opportunity to engage in conversations with their audiences: customers, prospects, industry followers and others. Companies can take advantage of social media to discover what people are saying about their company—both good and bad—and use those discoveries to improve their company image, positioning, products and policies, and to generate more momentum and brand awareness for their company.

According to Forrester Research, “these inexpensive [social media] tools can quickly get marketing messages out through interactive discussion and rapid word of mouth and, properly managed, can deliver measurable results.”¹

Because social media content is often user-generated by those who participate, companies cannot maintain control over the conversation or the message being delivered. However, through its own intelligent and judicious participation, through careful listening and response, and by providing useful information to its audience, a company can guide the narrative to the benefit of the organization.

One of the business benefits of social media is something called “likeability.” Using social media, your business can showcase its personality and people, in addition to its products or services. And in any business, people prefer to buy from people they like. If you use social media to help foster positive relationships, and your fans and followers begin to like you, they will be more inclined to do business with you and recommend others to do the same.

¹“Social Media Playtime is Over,” Jeremiah K. Owyang, Forrester Research, Inc., March 16, 2009.



Social Media Growth

Social media is a business asset that can help you get found by and engage with your target audiences online. Many businesses already understand this.

Recent research shows significant growth in the use of social marketing among B2B marketers, with 57% now using social media channels, up from just 15% in 2007. The top social media platforms used by B2B marketers are the professional networking site LinkedIn (81%), the micro-blogging service Twitter (70%), the social networking site Facebook (60%) and the video sharing service YouTube (49%).²

Social Media in the Industrial Sector

As a marketing professional working in the industrial sector, you should find out where social media fits into your marketing strategy. You must ask whether your target audience is using social media and if it can be helpful in your company's marketing efforts.

Here are some examples of social media use in the industrial sector:

- A blog about interesting applications for your product line or industry news, trends and technologies in a specific industry.
- A product expert at your company creating a LinkedIn group and networking with users of those products.
- A company Facebook page that informs fans about your company's involvement in community projects or organizations.
- A YouTube video that explains how to use or repair a product, or offers an interview with a top executive.
- A customer-only online discussion forum where your customers can interact with each other and internal product managers.
- A Twitter account you use to send your followers links that will be of interest to them: articles, events, industry news and more.

To dig deeper into social media usage in the industrial sector, GlobalSpec conducted a survey of its registered user base of engineering, technical, manufacturing and industrial professionals. 36% of the survey respondents hold engineering positions, including design, consulting and process/production, 12% work in technical support/services, and 9% work in research/development.

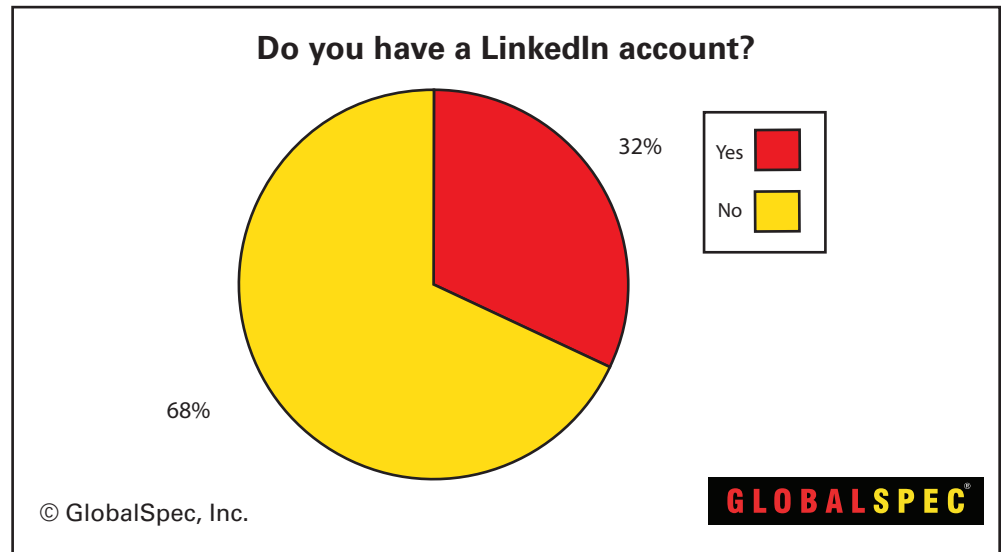
The survey results provide details on current social media usage for work-related purposes and future plans for using social media. GlobalSpec analyzed the results and developed recommendations for industrial marketers to help you use social media resources effectively across your integrated marketing efforts.

²"2009 ANA/B2B Research Report: Harnessing the Power of Newer Media Platforms for More Effective Marketing, 2nd Edition."

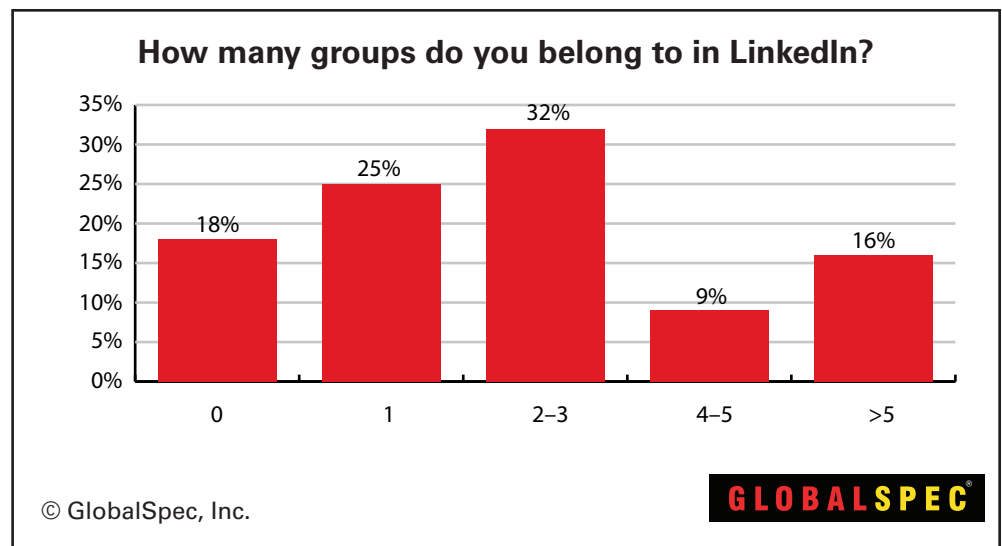


LinkedIn Usage

32% of industrial sector professionals surveyed have an account on the professional networking site LinkedIn, which offers individuals the opportunity to create professional profiles. In addition, anyone can form or join a group on LinkedIn. Groups are comprised of members who share common interests, such as industrial design, or automation control & engineering. They provide a forum for discussions, asking and answering questions, providing relevant content, networking, and more. Note however, that many professionals who



belong to groups are passive members—they do not necessarily participate in the groups they belong to regularly, and when they do, it is more to read content versus contributing to content. 82% of survey respondents belong to at least one group, with 25% belonging to four or more groups. Many B2B participants are evaluating the chat and commentary and assessing its potential value.

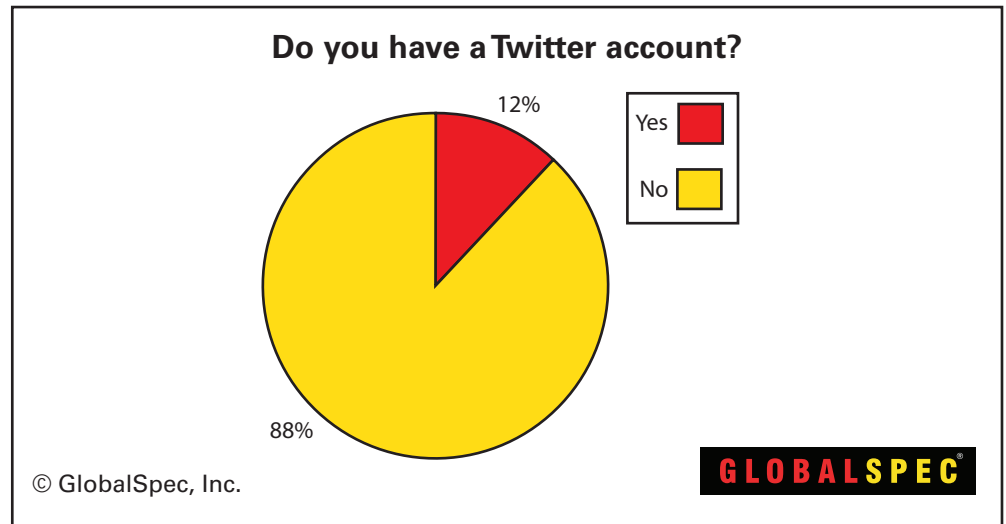




Twitter Usage

Twitter is still in its early use stage among industrial professionals. Currently, only 12% have a Twitter account, and 32% of engineers ranked their likelihood of signing up for Twitter in the future as only a 2 or 3 on a scale of 1–7, with 1 being “Not at all likely” and 7 being “Highly likely.” From a business perspective, Twitter is not a strong marketing vehicle for reaching this audience.

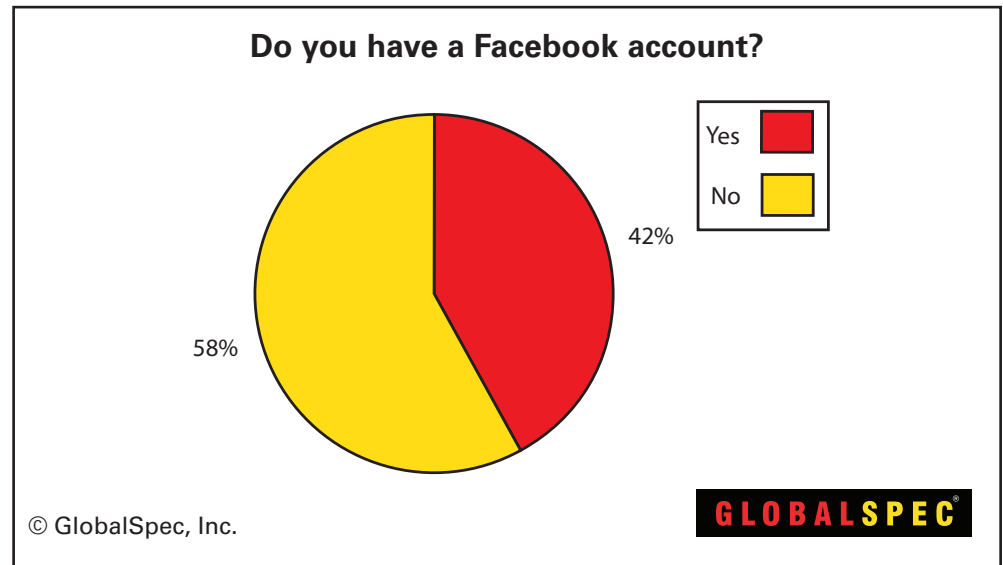
Part of the reason for low adoption rates among this audience is the challenge in understanding how Twitter might be useful. Because it is a micro-blogging service that limits users to 140-character posts, Twitter can appear insignificant or irrelevant. However, it does offer the opportunity to engage in conversations, ask and answer questions, and promote content and events.





Facebook Usage

42% of industrial professionals have a Facebook account, and more than two-thirds of these professionals indicate that less than 30% of the content on their Facebook page is work related. Therefore, while nearly half of professionals surveyed use this social media tool, it is not generally being utilized for work-related purposes—something that companies planning to implement Facebook as part of their social media strategy need to consider. Facebook offers accounts for individuals and the ability to connect with “friends,” as well as accounts associated with a company or brand and the ability to connect with “fans”—which are the business equivalent of friends.



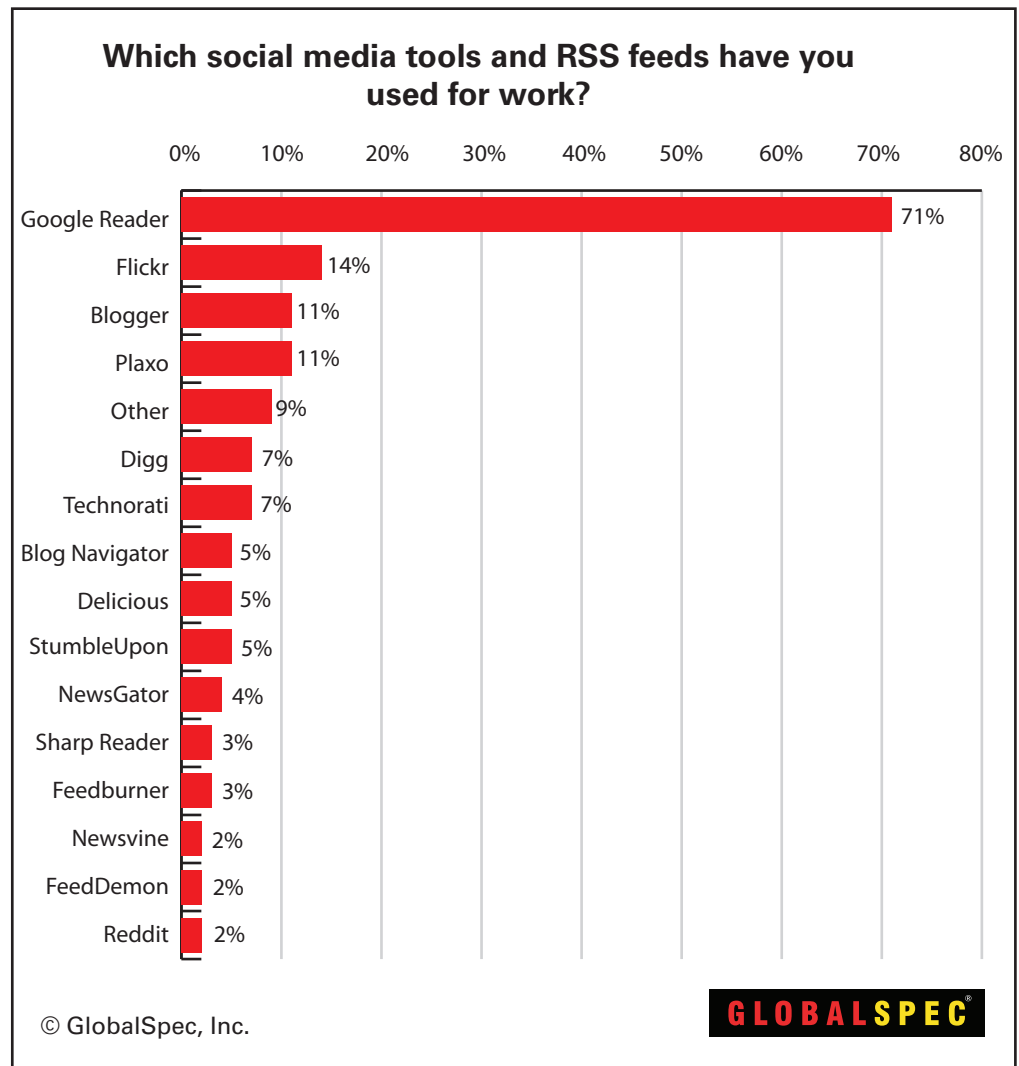
MySpace, a competitor which has lost market share to Facebook, is used by only 16% of industrial professionals. It should not be considered a platform of focus for an industrial company developing its social media strategy.



Social Media Tools and RSS Feeds

RSS stands for Real Simple Syndication. People use RSS to subscribe to Web content; RSS tools aggregate and deliver updated Web content to your computer or mobile device. This saves the time and hassle of having to visit Web sites individually. Many Web publishers syndicate their Web content as an RSS feed to anyone who wants it.

When asked which social media tools and RSS feeds they use for work, the majority of respondents (71%) stated they use Google Reader. No other tool or RSS reader was cited by more than 14% of users.

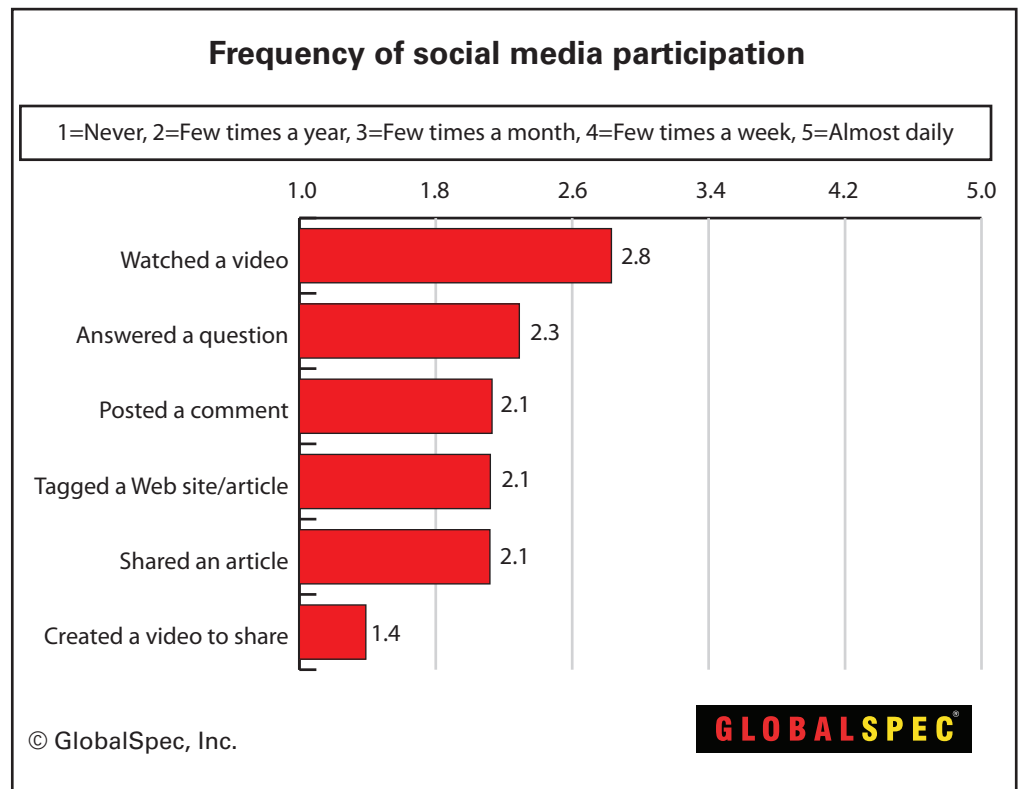




Frequency of Social Media Participation

The survey also asked industrial professionals how often they participate in specific types of social media. For each type of social media, engineers were asked to choose from a scale offering the following frequency options: Never, Few times a year, Few times a month, Few times a week, or Almost daily.

The results indicate that a majority of this audience is passive about social media—they read and watch content, versus commenting or posting and creating content. Respondents stated that they use most of the represented social media a “Few Times a Year.” However, 74% stated they have never created a video to share, while 28% have watched a video at least a few times a week, which means the lowest participation is in creating and sharing a video, while the highest participation is in watching a video.



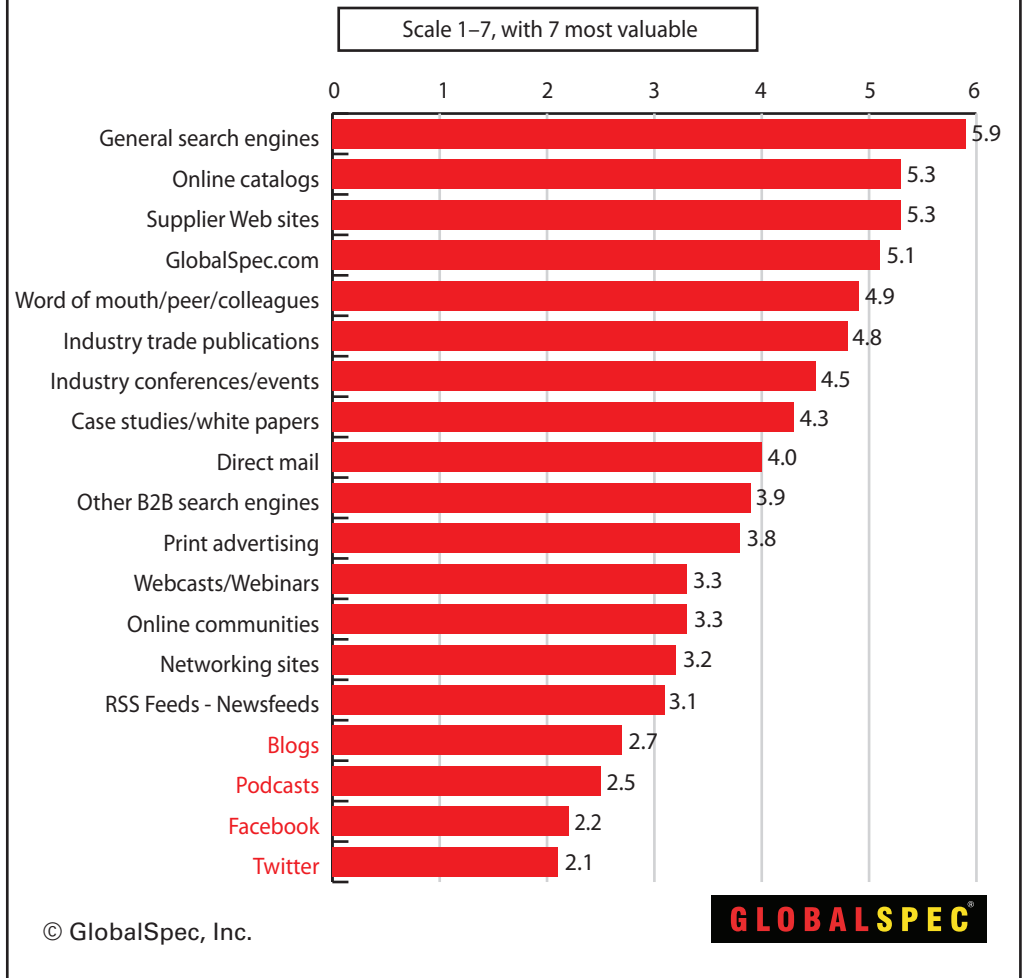


Top Resources for Researching Work-Related Purchases

The survey asked the following question: When researching a potential work-related purchase, how valuable do you find each of the following resources?

The results show that social media is not as valuable as other top online resources, such as general search engines (Google, Yahoo!, etc.), GlobalSpec, online catalogs, and supplier Web sites.

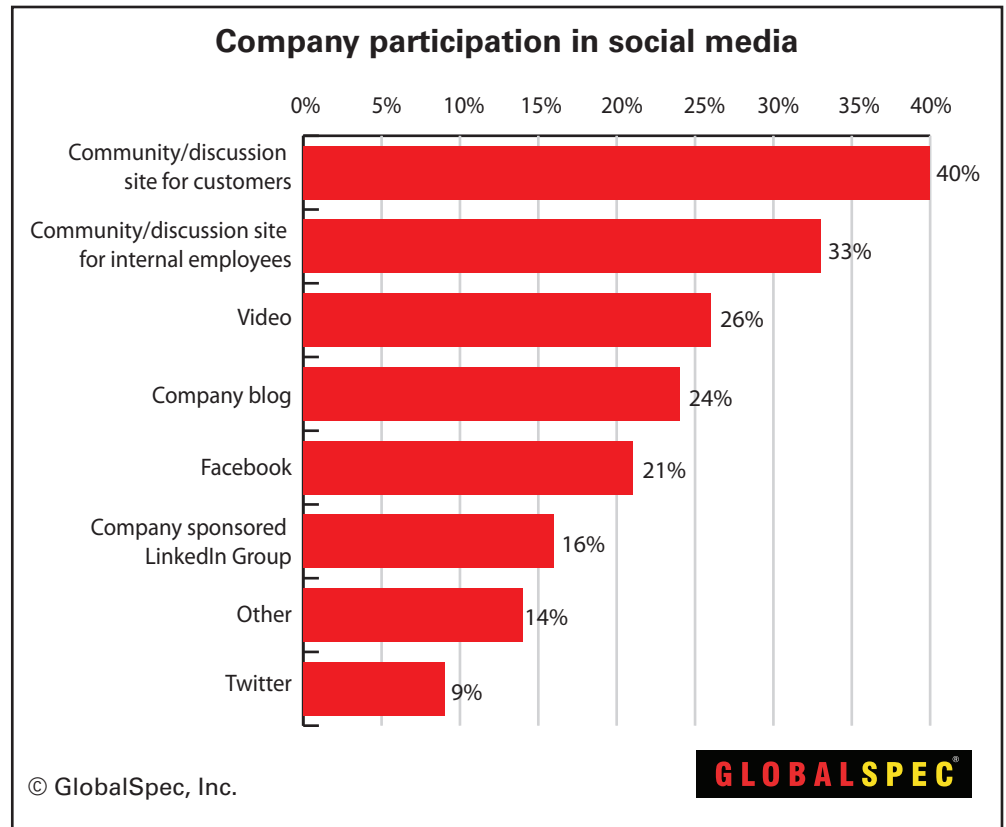
Value of resources for researching work-related purchases





How Industrial Companies Participate in Social Media

The primary ways industrial companies participate in social media today are through community/discussion sites for customers as well as similar internal sites for employees. 40% provide an online discussion community for customers, and another 33% provide one internally for employees. 26% use video and 24% now have a company blog. At this point, only 9% are using Twitter.





Social Media Recommendations for Industrial Suppliers

While engineering, technical and industrial professionals are adopting social media slowly, these new social technologies may have a role in your future marketing strategy. The noise and buzz around social media cannot go unnoticed or completely ignored. Yet you need to cut through the clutter and answer a number of challenging questions around social media and how it *really* relates to your overall marketing strategy:

- When should my company get involved in social media, and to what extent?
- What social media tools should we use? Which are the most important?
- What resources are required to launch a social media program?
- How do I educate others in the company—in particular, executives—about the role social media should or shouldn't have in our marketing efforts?

To help you answer these questions, GlobalSpec has developed a list of social media recommendations for industrial suppliers.

Don't Replace Established Online Marketing with Social Media

GlobalSpec's survey shows that current adoption of social media in the industrial sector is low, yet social media is being used in business-to-business marketing today. Any new technology or paradigm has an adoption curve: there are early adopters, mainstream adopters and laggards. Every business has its own place on the adoption curve, and it's often determined by available resources, skills and most of all your audience's behavior: if your customers and prospects are enthusiastically adopting social media for work-related purposes, then you will be motivated to move faster into that realm.

But for now, more established online resources—search engines (both general and specialized), online catalogs, and your Web site—are the key places an industrial audience looks for suppliers, products and other work-related information. Your established online programs are still your best tactics for building awareness and generating qualified sales leads. Therefore, you should continue to invest in these online resources and not radically shift a significant portion of your marketing resources or budget to social media.

Develop a Vision and Define Goals for Social Media

Trying to make use of all the available social media tools can be overwhelming, and it will certainly be a resource drain. It will be easier if you approach social media with a vision and defined goals. For example, consider how you want to present your company via social media. What message and tone are right for your business? An established industry expert? An up and coming innovator? An advice provider?

Decide: what are your social media goals? Maintaining or growing your brand awareness? Building relationships with the community? Conducting product research and gaining feedback from your customers and prospects?

In the same vein, think about how you will communicate value to your audience. You must be prepared to provide useful, relevant contributions to the social media conversation if you have hopes of building a loyal following. Where will these contributions come from? What is your content strategy?



Who will be responsible for developing your company's social media content? One person devoted to social media is probably not enough. Try recruiting a team of people so you can share the responsibility and tap into a greater knowledge base.

As you work through these questions, your vision and reasons for engaging in social media will become clearer, which will help guide your choices of social media tools and how to best use them.

Begin to Explore Social Media Tools

While you shouldn't rush resources into social media, you should begin to explore social media tools. Devote some time to gain an understanding of how they work, what they can contribute to and how they can complement your existing marketing efforts. This way, as participation in social media grows in the industrial sector, you will be in a strong position to grow your social media presence. If you've already begun using social media tools, make sure you balance the resources you put into social media with the return you are getting from your efforts.

Here are some ideas to get you started on social media. Instead of adopting them all at once, start with the ones that seem most applicable to your business and target audience.

- Create a LinkedIn account. Search for and join groups in your market space. Follow the conversations and begin participating when you have something useful to add to the dialogue.
- Create your own Twitter account and search for relevant businesses, thought leaders, or competitors to follow within your market space. You can also post your own "tweets." Try commenting and linking to interesting articles, announcing an event or new white paper, or putting in a customer quote or interesting use of your products.
- Third on your social media list, after setting up with Twitter and LinkedIn, is Facebook. Find other businesses similar to yours or market leaders and see how they are using Facebook. If you have a personal Facebook account, you'll discover that Facebook for business is not that different. Instead of "friends" you have "fans." But it's still all about conversations and providing relevant information.
- With the widespread use of broadband Internet, video has become a major business communication tool, and more affordable. The widespread popularity of YouTube has also lowered the bar for production quality. It's acceptable—almost chic—for business videos to have a homemade quality. Try posting videos of an interview with an executive, a customer testimonial or a product demonstration.
- Consider starting a blog. Just make sure you define an intended audience for the blog and line up resources to write blog posts on a regular basis. It could be a single writer, such as an executive, or a team of writers. Types of content you could post include applications for your products, customer case studies, industry news, frequently asked customer questions, white papers and Webinars, and other content relevant to your audience.



- You may consider developing an online community to interact with your customers and prospects. 40% of industrial companies are already doing this. If you do want to establish an online community, keep in mind it requires a significant time commitment to stay regularly involved and technical resources to build, maintain and grow the functionality of the online system.

Integrate Social Media into Your Overall Marketing Strategy

Whatever steps you take in social media, you must take them hand-in-hand with your other marketing efforts. Your social media goals should support your overall marketing goals.

Another way to integrate social media into your overall marketing efforts is to promote your social media presence within in your established marketing programs. For example, GlobalSpec now offers suppliers the ability to include their social media links, such as Twitter, LinkedIn and Facebook, within their company profile pages, helping to build awareness and relevancy for their social media efforts. Suppliers can also add video content to their GlobalSpec product announcements and within their company profile. You should employ the same strategy on your company Web site and cross-promote your presence across the different social media platforms you are using.

In addition, just as you measure the performance of established marketing programs, you should understand the measurement aspects of social media. It's important to look at traditional benchmarks such as reach (total number of fans/followers) and activity (page views, discussion threads, etc.), and also to analyze how social media helps increase traffic to your Web site and online catalog, as well as generate any new sales leads.



Conclusion

While social media participation in the industrial sector remains low, its use is beginning to slowly increase. Suppliers should start to become familiar with social media tools and begin to determine where social media fits into their overall marketing strategy.

Before beginning or expanding your company's social media efforts, answer these five questions to help ensure success with social media.

1. To what extent does your target audience participate in social media and which social media platforms do they use most often?
2. What are your organization's goals in implementing a social media initiative?
3. What resources (people, time, budget) do you have available to invest in social media without taking resources away from other online marketing efforts?
4. How will you integrate social media into your overall marketing strategy?
5. How will you define success and measure ROI on your social media investments?

You don't want to take budget, time and resources away from existing marketing efforts that are performing for you and put them toward social media. Although social media tools are free in terms of establishing accounts, there is a learning curve and they do require time and effort. It's important to remember that social media is never an "instead of" other marketing; it's always "in addition to" other marketing efforts and must be integrated with your overall marketing strategy.

If you're seeking an easy way to be introduced to and become familiar with social media, GlobalSpec invites you to follow and join our own social media activities. You can find GlobalSpec in these social media outlets:

- [GlobalSpec Industrial Marketing Mavens Group on LinkedIn](#)
- [GlobalSpec on Twitter - @GlobalSpecInc](#)
- [Industrial Marketing Mavens on Twitter - @MktgMavens](#)
- [GlobalSpec on Facebook](#)
- [Industrial Marketing Mavens on Facebook](#)





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For manufacturers, distributors and service providers, GlobalSpec offers tailored marketing solutions that put you in control and expert online marketing advice to help you find new customers. We provide highly filtered sales leads and marketing opportunities, qualified Web traffic to your site, product promotion and brand advertising platforms, and a wide range of e-media advertising and marketing solutions including keyword ads, e-mail marketing, banner ad networks, online events and industry-leading e-newsletter advertisements—allowing you to choose the options that fit your unique business needs.

The ability to find customers...to tap into new markets or new regions that are actively seeking your products...to understand what prospects are looking for...to gain an integrated marketing program and a wealth of practical advice about online marketing—this is the GlobalSpec approach. And it's why many manufacturers and suppliers choose GlobalSpec to help their businesses grow.

For more information on GlobalSpec's comprehensive marketing solutions please call 800.261.2052 or visit <http://www.globalspec.com/advertising>.

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