

Building the bridge

Tech companies are at risk of being left out of the IT decision-making process. Research shows that buyers are 60% through the decision-making journey before they make contact with brands, as they turn to social media to educate themselves and validate information among their peers. *

Additionally, purchasing decisions are increasingly made by an "IT Committee" – a cross-functional group that extends beyond the IT department and the executive boardroom – and they're growing weary of traditional lead generation tactics. In today's social world, marketers must earn leads with a holistic content strategy that builds mutually beneficial relationships throughout the entire purchase journey.

So how can marketers bridge the gap in the decision-making process and connect with the IT Committee? To answer that, LinkedIn commissioned comScore, Inc., Starcom MediaVest Group, and Mashwork to conduct research among IT decision makers across a diverse range of industries throughout the United States.

The results reveal a significant opportunity for marketers to rethink how they market to this important audience. Social media not only fosters long-term relationships, it also serves short-term business needs through lead generation that provides value for the lead.

Summary of key findings



Social media is not just for connecting with peers. The IT Committee actively seeks insights and conversations with vendors on social media.

- 2 in 3 are open to connecting with a new vendor.
- 3 in 4 are ready to have a conversation with a new vendor on social media.



The vendor short list is more exclusive and critical than you may think.

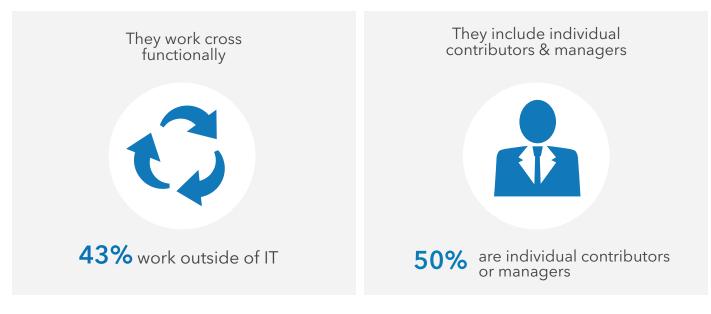
- Only three vendors make the short list, and 92% of the IT Committee purchased from this list.
- They don't want a sales pitch. "Receiving a lot of marketing materials" is the #1 reason the IT Committee wouldn't connect with a vendor on social.



Make the vendor short list by fostering long-term trusted relationships while also serving short-term business needs via lead generation.

- Trust drives brand perception, and the IT Committee trust LinkedIn more than other websites to receive information relevant to their IT decisions.
- The IT Committee are >50% more likely to engage with their vendors on LinkedIn than on other social networks.
- Brands with higher engagement on LinkedIn have an increased likelihood of meetings and live chats with customers.

Defining the IT Committee



Many IT marketers focus their efforts on targeting the decision makers in the IT department. However, IT decisions are made by an IT Committee that works cross-functionally across other non-IT functions. In fact, 43% work outside of IT in departments like:

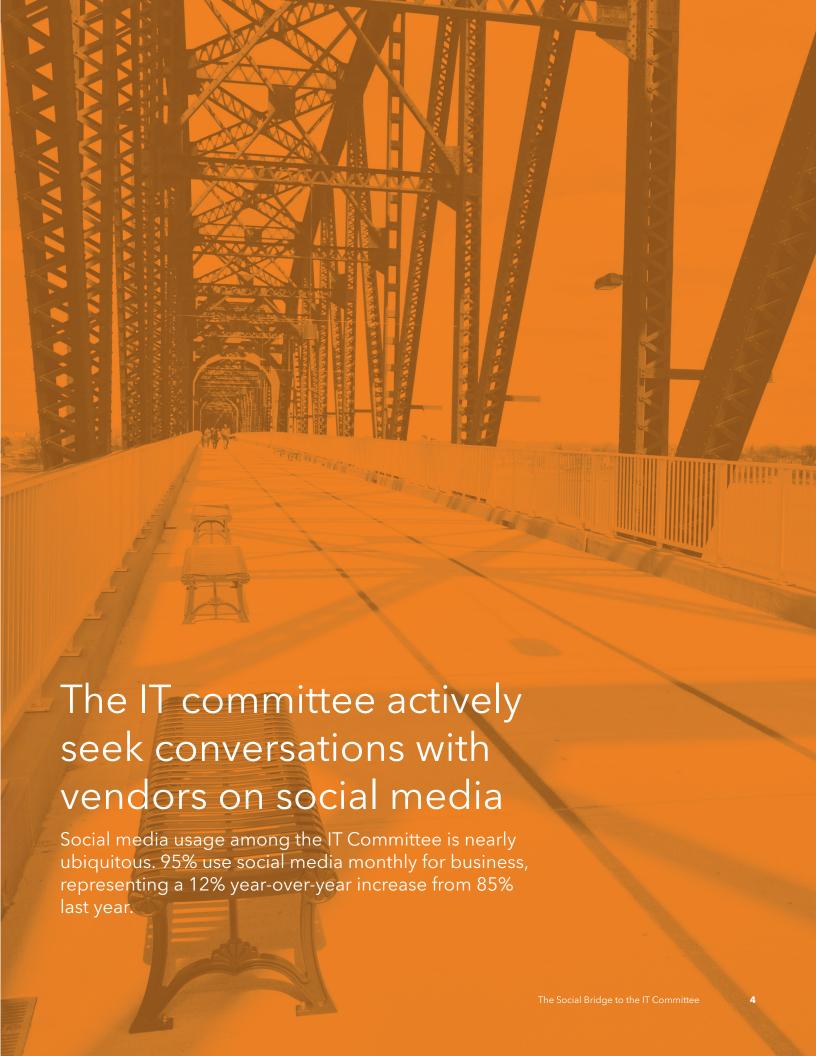
- Finance
- Sales
- Facilities
- Marketing

Additionally, not all IT Committee are senior level. Individual contributors and managers account for half of the IT Committee.

- 39% Manager reporting to an executive
- 12% Individual contributor
- 23% Senior-most decision-maker in company
- 26% Executive

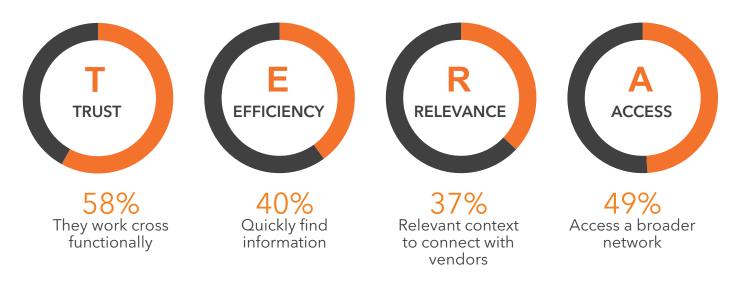
The IT Committee are scarce -- tech companies can't afford to alienate them

Long-term relationships are critical. In the U.S., \$820 billion* in IT spending is being influenced by only 15 million decision makers.** This scarcity of B2B influencers means marketers must think even more critically about building long-term relationships. Brands that think only in the short term can burn bridges with the IT Committee. Alienate them and you have to invest up to 10x more to win back their trust and consideration.



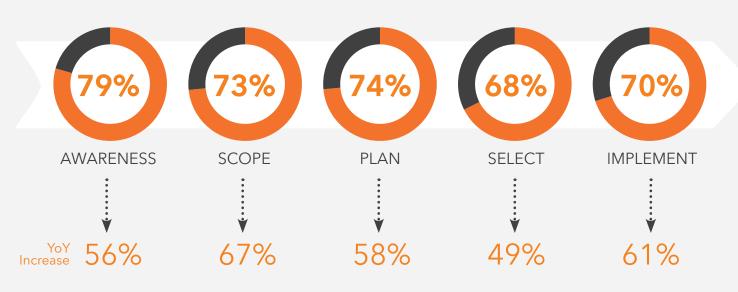
Why does social media usage continue to grow? The reason is that social media - LinkedIn especially - provides the IT Committee with trust, efficiency, relevance and access. In our 2012 research study, IT Buying Goes Social, we found that the trusted context of social networks has enabled peer validation of IT decisions at a large scale. This is how IT decision makers communicate, debate and decide on tech purchases.

Top reasons the IT Committee use social networks for business*



In this year's survey, we found that TERA continues to drive even deeper utilization across the entire IT decision process. In each of the five phases of decision-making, social networks influence 7 in 10 IT Committee members involved in that stage. Even more impressively, since 2012, the influence of social has increased at least 49% from an already large base.

Influence of social media at each stage of decision making



Tech decision makers look to vendors to participate

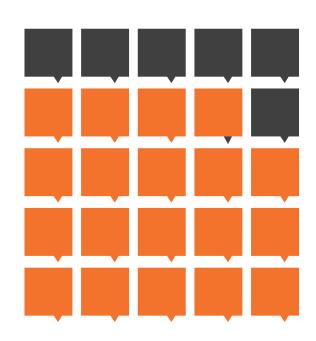
As the IT Committee use social media to educate themselves and validate their IT decisions, they're not only looking to connect with their peers. Interestingly, we found that IT buyers want to hear from vendors on social media too.

In fact, 2 in 3 are open to connecting with vendors on social networks, even if they don't currently have a relationship with them. Additionally, 3 in 4 say they are ready for a conversation with a new vendor on social networks. Marketers who are not taking full advantage of this receptivity on social are missing a tremendous opportunity to connect with their key audiences.

Influence of social media at each stage of decision making



68%
Open to connecting with vendors on social



76%
Ready to have a conversation with a vendor on social



Very few vendors make it on the short list. On average, only 3 vendors make the short list, and 92% of the IT Committee purchased from a vendor on that list. If the buyer is not a current customer of your technology, it's even more difficult as only 1 in 6 of the IT Committee purchased from a new vendor.



vendors make their short list



IT Committee purchased from a vendor that made the short list



Only 1 in 6 purchased from a

new vendor

Old ways of communicating don't work and can turn off your audience

For IT marketers who are not the incumbent technology provider, how do you make the shortlist? For starters, old ways of communicating (e.g., static editorial calendars, gating content with lead forms, etc.) don't work on social media.

In fact, the #1 reason that the IT Committee would not connect with a vendor on social media is because they don't want to receive marketing materials.

Top 5 reasons the IT Committee don't connect with a vendor on a social network



Prove you can be a strategic partner with relevant content in the right context

Building relationships in a social world requires content that is authentic, valuable and timely. Because the IT Committee are interested in a diverse range of topics, vendors who share and engage with them on multiple topics of interest earn more interest and long-term opportunities.

Top 3 types of information sought in each stage of IT decision-making process:



IT industry news is important in the early stages of the purchase journey. Best practices are desired throughout the middle stages. And demos and measurement tools are important towards the end of their journey.

What does relevant, engaging content look like?

LinkedIn partnered with Starcom MediaVest and Mashwork to compare how senior-level decision makers (director or higher) and junior decision makers (manager or below) engaged with content on social media and what types of content resonated most with each audience.

We found that senior decision makers were 2X more likely than their junior counterparts to have shared and engaged with content related to product and industry news, and 11.5X more engaged with thought leadership content.

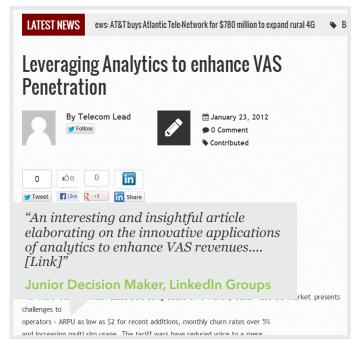
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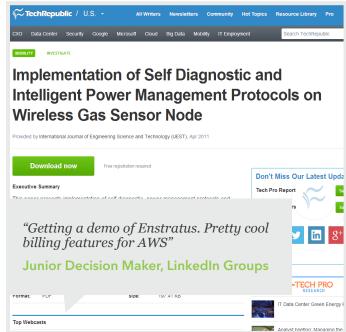




Conversely, junior decision makers were found to be more engaged with practical tips and advice, as they were 39% more engaged with best practice content on social and 18% more likely to have discussed demos in LinkedIn Groups.

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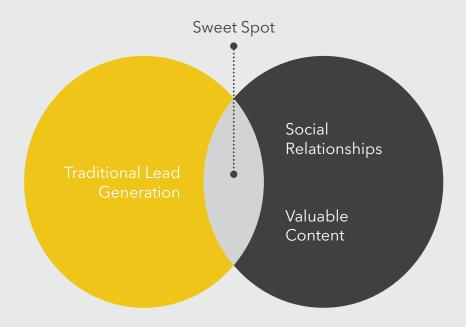




Build relationships to make the short list

Traditional lead generation (e.g., cold calls, gating content with lead forms, buying leads) done poorly with little scoring or nurturing will alienate your prospects and clients. Establishing a relationship and earning leads, in addition to buying leads, is the future, but you can ease into it by shifting the balance of your demand generation. Lead generation should be blended with a social content approach, enabling marketers to earn leads by participating and adding value.

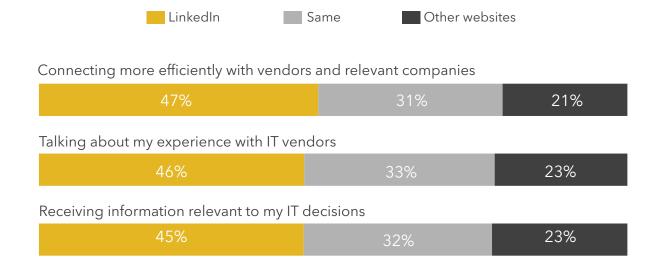
Traditional lead generation needs to be blended with social



Delivering relevant content is only the beginning of the relationship. To build advocacy, brands must deliver content in a trusted context.

Context matters when it comes to building credibility and trust. IT Committee who use LinkedIn consider it to be the most trusted social channel for engaging with content. 2X more of the IT Committee trust LinkedIn than other websites to connect with vendors, discuss their vendor experiences, and receive tech information.

Trust in LinkedIn vs. Other Websites



Not only is content trusted more when shared on LinkedIn, but the IT Committee are also more likely to engage with it. Over 50% are more likely to follow or read a post from their vendor on LinkedIn than on other social networks.

Vendor content consumption on LinkedIn vs. other social networks

Reading a post from their vendor

LINKEDIN IS USED

56%

more often than other social networks

Following their vendor

LINKEDIN IS USED

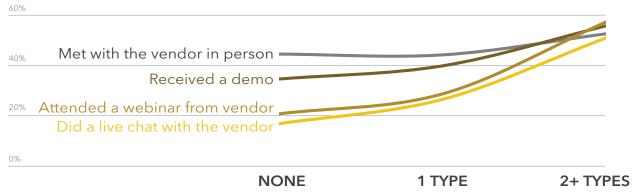
50%

more often than other social networks

Engagement on LinkedIn also drives leads and face-to-face meetings.

Further validating the importance of engagement on social media, LinkedIn data shows that the likelihood of getting a meeting with the IT Committee increases as vendors engage with this audience on LinkedIn. IT buyers were more likely to have met with a vendor, attended a vendor webinar, or received a demo if they engaged with the vendor in two or more types of ways before the purchase.

Pre-Purchase Vendor Engagement by # of Engagement Types on LinkedIn



of types of engagement with vendor on LinkedIn <u>before</u> purchase

High engagement with content on LinkedIn leads to positive word of mouth.

The long-term value of building a relationship with the IT Committee on LinkedIn is the power of advocacy, which can be measured by a brand's Net Promoter Score (NPS). NPS measures how likely a customer is to recommend your brand or product. LinkedIn data shows that when customers engage with vendors on LinkedIn prior to purchase in more than 2 ways, there was a 23 point lift in NPS.

The implication for marketers is clear. Engaging content, delivered in the channels where the IT Committee seek insights, is the currency that earns trust, advocacy, and ultimately long-term opportunities.

Implications for marketers

Target more than IT functions in your campaigns.

Marketers who are not reaching the broader IT Committee are missing out on an important and influential audience. Brands must think holistically about all of the functions that impact an IT purchase, such as finance, sales, and marketing, and target them with relevant messages.

Ensure your content is authentic, valuable, timely, and customized by decision stage and seniority.

A brand looking to publish content needs to consider whether its posts are not only relevant, but also match the expectations of the audience and the platform on which it appears. Don't just have a static content calendar. Commit to a dynamic content strategy that drives trust and delivers relevance according to the audience and the need.

- Start earning leads via social media in addition to buying leads.

 Traditional lead generation tactics include buying leads and gating content. On social media, brands should strive to add value by being seen as an invited guest, not a party crasher. When customers and prospects come to you, rather than the other way around, the advantages are obvious. They're interested, open, and receptive.
- Focus on building relationships to get on the short list.

 The IT Committee are becoming more demanding and discerning. They want to know that their vendors can think strategically about their challenges, and they're looking to connect with them on social media. If you turn them off by talking about yourself rather than educating and helping them, you'll need to spend much more time and effort to get them back the next time they are in the market.
- Begin tracking how often and for what clients you make the short list. You can't manage what you don't measure. Considering the critical importance of making the short list, tech marketers should begin tracking a new KPI -- making the vendor short list.

Engage the IT Committee in the right context.

Let LinkedIn help. Contact us at marketing.linkedin.com/contact.

Two research studies were commissioned by LinkedIn.

- A survey was conducted by comScore, Inc. among 279 Tech Decision makers in the US in June - July 2013. Respondents' job functions included approximately 57% in IT and 43% in other departments.
- A listening exercise was conducted by Starcom MediaVest Group and Mashwork among 3000 tech related posts from public LinkedIn Groups. Tech discussions that occurred from January to December 2012 were analyzed to understand the differences in content and conversations between senior and junior decision makers.







