

B2B Spending on Social Media to Explode

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Business people are people too

Despite social media marketing's sizable popularity, business-to-business (B2B) companies are still fairly new to the discipline.

According to a November 2009 survey from Business.com, 73% of B2B respondents who were using social media had less than two years of social media marketing experience.

But now that social media has caught on in the sector, spending forecasts suggest that big increases are coming.

"B2B participation in social media marketing is steadily increasing, and marketers are beginning to see opportunities to generate quality leads and position themselves as thought leaders in their industries," said eMarketer's Evelyn Jung, author of the new report "B2B Social Media Marketing Heats Up."

Outsell estimates that marketing on social networks will grow 43.3% in 2010.

Forrester Research predicts that B2B firms will spend \$54 million on social media marketing in 2014, up from just \$11 million in 2009.

Paid advertising on social networks—banners, text ads and search advertising, as well as the more targeted advertising being deployed by Facebook and MySpace—is a small portion of B2B marketers' social spending.

When companies budget for social media marketing in 2010 and beyond, a substantial portion of their expenses will go toward other initiatives, such as creating and maintaining a branded profile page, managing promotions or public relations outreach within a social network, and measuring the effect of a social network presence on brand health and sales.

In 2009, B2B marketers spent the largest portion of their social media budgets on customer communities, followed by podcasts and blogs.

These tactics allow B2B marketers to share more relevant product or service information with their customers than they could with other social tools.

"B2B companies tend to have longer and more complicated messages to convey, and these longer-form tactics enable them to position themselves as thought leaders with their customers," Ms. Jung said.

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