

The Effective Integration of Social Media for Marketing Success

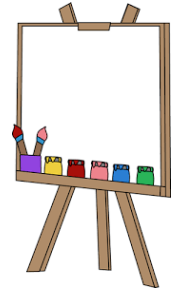
Prepared for LUISS
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October 16, 2017



Presentation Outline

4 Parts:

1. Social Media Marketing
2. Social Media Tools
3. Objectives, Strategies and Implementation
4. Research Opportunities



Session Objectives

1. Defining Social Media
2. Understanding who is talking or listening to Social Media
3. Why businesses should use Social Media
4. Websites, Internet Marketing Strategy, and a Social Media Strategy
5. A successful market offering using Social Media
6. Which Social Media tools are best
7. Effective Social Media goals and objectives
8. Measure and monitor the Return on Investment (ROI)

Part 1: Social Media Marketing

- Simplicity of Social Media
- Who uses it?
- Why use it?
- How it integrates into an overall strategy.



The Social Media Revolution 2017



<https://www.youtube.com/watch?v=PkPrZbj5C3k> (4:25)

Video Take-Aways

- 50 million users in years: TV 13, Internet 4, ipod 3, Facebook only 3 months! (200 million < 1 year)
- Facebook would be the third largest country.
- QQ and Renren dominate China
- User-Generated Content
- 78% TRUST peer reviews, but only 14% TRUST advertisements.
- We no longer search for ___ or ___, instead they find us.
- Only 18% of TV campaigns generate positive ROI; social media is a requirement.



Social Media is simply a conversation...



...that is supported by online tools.

Compare with Web 2.0 and User-Generated Content (Kaplan & Haenlein, 2010)

Who is Talking or Listening on Social Media?

- Your customers and **prospects**
- Your employees, investors, and **vendors**
- Your critics and fans
 - Without a strategy, you are likely to have more negative than positive feedback. **Why?**
- Your competition (for curiosity and strategy)
- Virtually everyone with Internet access, **including those without Social Media accounts.**

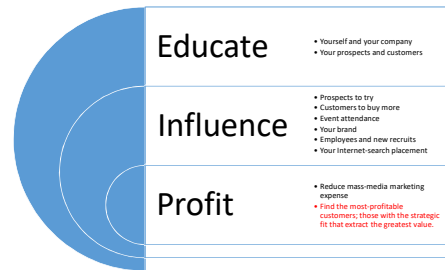


Is Social Media Good for Business?



- Yes, according to the research:
 - Revenue Growth, new and existing customers
 - Significant ROI and Profit Contribution
 - Positive Word of Mouth and Brand Knowledge Awareness, CIE & CIV (Kumar, Bhaskaran et al. 2013)
 - Common Stock Value, posts / venue / sentiment matter (Schweidel and Moe 2014)
- Is it necessary for businesses?
 - Yes. Consumers now have unprecedented empowerment due to Web 2.0 and Social Media (Constantinides and Fountain 2008).
- Are business doing enough of Social Media, and are they doing it correctly?
 - No. Businesses, even industrial ones, desperately need to update SM skills and understand the positives and negatives in Social Media (Bolton, Parasuraman et al. 2013); (Chu and Kim 2011); (Järvinen, Töllinen et al. 2012); (Kaplan and Haenlein 2010), (Killian and McManus 2015); (Kumar, Bhaskaran et al. 2013); (Mangold and Faulds 2009); (Michaelidou, Siamagka et al. 2011); (Schweidel and Moe 2014).

Why do you want to use Social Media in Marketing?



Websites, Internet & Social Media



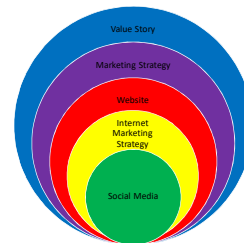
Website Strategy
A great website is the **foundation** where customers get your company info. You want to **inform, legitimize, and persuade.**

Internet Marketing Strategy
Insure your website is search-engine friendly with appropriate **keywords, relevant** art, video, and **informative current** content. Consider paid-search or other traffic-building strategies.

Social Media Strategy
Leverage relationships and networks, business associates, friends and family. Make it easy to share your company information and **their experience.** Educate, influence, and profit.

Sources: Return visits (Cyr 2014); First impression, few seconds, logos (Lowry, Wilson et al. 2014)

Successful Market Offering using Social Media



Part 2: Social Media Tools

1. social networks (LinkedIn, Facebook, and Google+),
2. microblogging (Twitter, Instagram, Pinterest),
3. video sharing (YouTube),
4. geo-locations (Google, Yelp, Facebook and Foursquare),
5. social buying (Living Social and Groupon), and
6. social dashboards (HootSuite and Buffer).

Key Source:
 - Venue and sentiment are interrelated, watch where you listen to SM, stock prices are most influenced by sentiment (Schweidel & Moe, 2014).



4C's Integration

• 4 C's of integration:

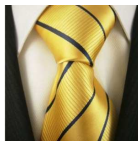
- Consistency
- Customization
- Commitment
- Caution

Source: Killian & McManus, 2015



LinkedIn

- Professional social network
- Over 400 million members in 200 countries
- 2 new members every second
- 90% satisfaction among users
- 61% use it as their primary network
- 65% male, 79% college, 26% 35-44
- You can:
 - Find jobs, post profile and resume
 - Connect with vendors, partners, suppliers, customers
 - Share recommendations
 - Forum to demonstrate expertise and find answers.



Contains profiles of executives from all Fortune 500 companies and leading entrepreneurs

Facebook

- Over 2.0 billion monthly active users
- 1 in 13 are on FB worldwide
- 85% of users are outside North America
- Translated into 101 languages
- 88% of Millennials get their news on fb
- Over 50 million business timeline pages
- Users average 21 minutes on FB
- Smartphone users check FB 14X per day on average
- 1 out of 8 minutes online is spent on Facebook; this is more than Google!

The average Facebook user has 338 friends, but the median is 200. If your business fan page has only 100 friends, you are only one degree away from 20,000 people on Facebook.



facebook

Facebook – timeline, group, fan page

Personal Timeline	Facebook Group	Business Fan Page
5000 Friends	Unlimited Members	Unlimited Fans
Direct Access Status Updates Videos, Photos, Notes	Restricted Access Highlights	Direct Access Status Updates Videos, Photos, Notes

Find us on: facebook.

Facebook Business Timeline / Page


- Strength and trust are key determinants for eWOM (Chu and Kim 2011)
- 4 customer relationship types: 1 transaction, 2 delighted, 3 loyal, 4 fans (Sashi 2012)
- Managers must learn to shape consumer discussions to match company goals (Mangold and Faulds 2009)
- Offer exclusives to your followers
- Users interact with you by:
 1. Becoming fans ("likes")
 2. Commenting on your posts
 3. Participating in discussions
 4. Posting photos to your page
- Fans see your page updates in their newsfeed



<https://www.facebook.com/MTSNutrition/>


Google+

- "Facebook" by Google
- 2.2 billion profiles but
 - only 9% have publicly posted content,
 - only 6% have active posts in the last 2 weeks, and
 - only half of those (3%) are not from YouTube;
 - So, about 4-6 million "active users"
- Conversations | Use video chat with up to 9 people through "Hangouts" and work with Google translate for multi-language communication; "Huddle" people together into one single text/chat
- Unlimited photo storage*




<https://plus.google.com/104649305040292523073/posts>

Twitter




- 140-character messages / about 30 words
- Follow key customers and let them follow you
- Began in July of 2006; 328 million monthly active users
- 40% have never sent a tweet; 25% have no followers
- 15% of adults on the Internet have used Twitter
- 55% female, 51% US, 17% UK, 55% have kids, 51% college
- 24 billion monthly searches, almost twice that of Bing & Yahoo! combined

Twitter Example



<https://twitter.com/QuestNutrition/>

Twitter, How to post 140



- Follow the best in your field
- Include a "Follow Me" link in emails, website, Facebook pages, marketing collateral
- Join in conversations: Reply & Re-tweet tweets that are relevant to your business
- When someone follows you, send a thank you with their name in it and follow them back
- Post comments on others blogs that pertain to the conversation to encourage visitors to return.

Sources: Starbucks case study, 3M framework --Megaphone, Magnet, Monitor (Gallaugher & Ransbotham, 2010); Customer Engagement Cycle: 1 connection, 2 interaction, 3 satisfaction, 4 retention, 5 loyalty, 6 advocacy, 7 engagement (Sashi, 2012)

Instagram

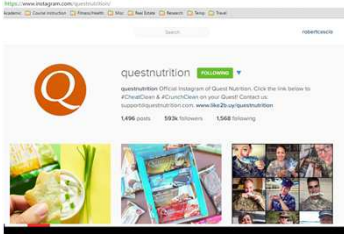


- Co-Founder from Google (Gmail and Google Reader)
- Acquired by Facebook (\$1 million) in April 2012
- Transforms pictures and videos and facilitates sharing across social media and other channels
- Over 800 million Instagrammers
 - 64% are women
- Need great pictures that are well tagged, preferably in the right geo-tagged locations.

Sources: qualitative marketing manager study: targeted acquisition of new customers, brand awareness, & product promotion (Tsimonis and Dimitriadis 2014); logo and branding specifics and positioning, both positive and negative comments increase liking (De Vries, Gensler, & Leeflang, 2012)

Instagram Example, @questnutrition

- Simple, but effective
- Followers
- Posts
 - How often?
 - Depends on the product and the audience, but 1 to 3x weekly is a good rule of thumb
 - What?
 - Informative content
 - Special offers; not always discounts however, why?
- Following
- #CrunchClean



<https://www.instagram.com/questnutrition/>

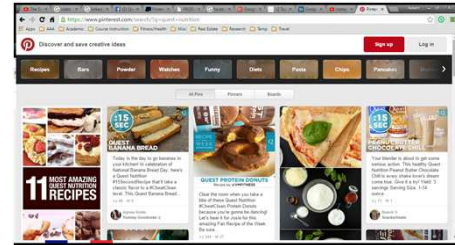
Pinterest



- Pinboard-style social photo sharing website
 - Browse, re-pin, or like
 - Theme-based inspiration and idea sharing
 - Can be used as a virtual storefront for driving customers to your website
 - 150 million monthly active users
 - Women are the most common users in U.S. (83%), and they use it for food & drink, recipes, crafts, and apparel.
- Source: De Vries, Gensler, & Leeflang, 2012

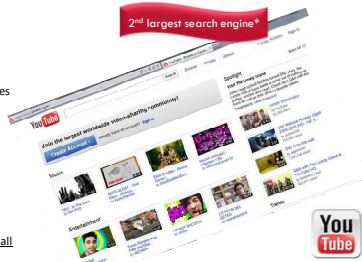


Pinterest Example

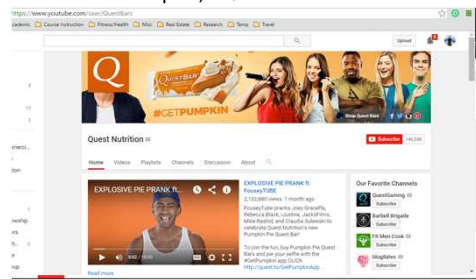


YouTube --Broadcast Yourself, Your Business

- Video hosting service
 - Upload, share, view
- 5 billion videos viewed daily
- Over 1.3 billion users
- Average user spends 40 minutes on YouTube daily
- Localized for 85 countries and languages
- There are 400 hours of video uploaded every minute
- Those 18-34 watch more YouTube than TV
- YouTube videos influence purchase decisions for 53% of all consumers.



YouTube Example, Quest



<https://www.youtube.com/user/QuestBars>

YouTube - Tips for Success



- Add call to action at the end of video
 - Example: "Use Promo Code YT1 to get a free sample on our website."
- Describe your videos well so they show up in search engines
- Use instructional videos of your product
- Use customer testimonials
- Use humor & graphics to get message across
- Keep videos under 1 or 2 or 3 minutes, depending on the involvement level of the purchase.

Source: Järvinen, Tollinen, Karjaluoto, & Jayawardhena, 2012

Four Key Geo-Location Players



- And, of course, Google

Two Major Social-Buying Players



- Launch in 2007
- Over 70 million users



- Launched in 2008 in Chicago
- Over 50 million users

- 31% of online consumers get deals from Living Social / Groupon; 2nd only to company websites, according to ACNielsen.
- Only 58% of businesses make money from their Living Social / Groupon offers – Rice University.
- 69% of Living Social users use Groupon | 37% of Groupon users use Living Social – Edison Research.

Social Media Dashboards



- Manage of all your social media in one place
- Schedule posts across sites
- Track clicks
- Buffer: Content | Analytics | Schedule | Settings | Queue | Suggestions | Contributions | Feeds
- Hootsuite: Newsfeeds | Home Feeds | Updates | Streams

Source: motives, content, network structure, social roles and interactions (Peters, Chen et al. 2013)

Part 3: Objectives, Strategies and Implementation

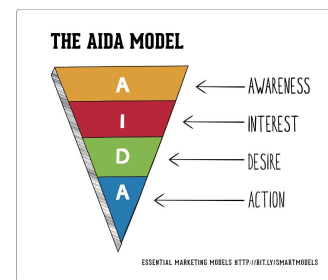
1. AIDA
2. Possible objective area:
 1. Revenue growth
 2. Profit margin
 3. Customer loyalty
 4. Streamline products
3. Return on Investment Guidelines
4. Criticism
5. Final Implementation Thoughts



Sources:
Hoffman and Fodor 2010;
Kumar, Bhaskaran et al. 2013

AIDA Principle

- Awareness
- Interest
- Desire
- Action



Some Ultimate Business Goals

- Increase the profitability of the company year over year
 1. Increase **revenue** and show stable growth
 2. Improve **profit** through marketing efficiency
 3. Increase **loyal customer base** to provide greater revenue assurance
 4. **Streamline product and service offers**
- How can social media help with these goals?



1. Revenue Growth



- Attract new customers similar to your existing ones. Why?
 - The friends and followers of your current customers have some **similar likes and interests**, and thus some **similar wants and needs**, and look to friends and followers for **recommendations** and advice.
- Increase the spend of existing customers with relevant / related product information and evidence.

Potential Social Media Objectives:

1. Increase customer base by 2% monthly from Facebook-related activities.
2. Increase revenue from existing customer by 3% monthly from Instagram-related posts.

2. Increase Margin



- Social media can help you find the ideal customers with the **specific needs and wants** that your company is tailored to meet best.
- Customers that derive the **greatest perceived value** will be less difficult to convert (less resources) and less price sensitive than others.
- An effective social media campaign can be **10% to 30%** of the cost of an effective **mass-media campaign**.

Potential Social Media Objectives:

- Increase the level of new customer satisfaction by 10%, comparing monthly year-over-year satisfaction surveys.
- Reduce discounts and promotions by 10% from Twitter from the previous quarter last year.
- Increase the number of leads / prospects from Pinterest from existing customers by 5% from the previous quarter.

3. Increase Loyalty



- Customers want to feel important and special.
- Social media makes one-on-one marketing possible and easy; customers now expect it.
- You can reward your most loyal customers with behind-the-scenes information, early product releases, and special volume-based offers.

Potential Social Media Objectives:

1. Generate \$10,000 in new monthly revenue from exclusive offers for Facebook fans only.
2. Pre-launch or pilot new product flavors or models to 100 Instagram followers for 14 days prior to market launch in order build support and address any oversights in design.
3. Increase volume from loyal Facebook fans by offering free shipping on order totals that are 25% above the normal customer spend amount.

4. Streamline Products



- Historical product sales information can provide insight into the best product offerings, however...
 - It does not take into account **future customers** or the important perspective of your competitors' customers.
- In addition to market research, **comments** and **online polling** via social media can help better define the needs and wants of your existing and potential customers.

Potential Social Media Objectives:

1. Conduct 3 annual online polls in order to generate age-specific consumer feedback for top-tier and bottom-tier products and merge findings with current and future market research.
2. Launch a campaign for the most sought-after feature or flavor via social media awarding an appreciation prize and actual production.

ROI Guidelines

- Group Social Media activities by application:
 - Microblogging | Social Networks | Video & Photo Sharing | Co-creation & Research | Forums & Discussions | Product Reviews
- Set measures for:
 - Brand Awareness
 - Brand Engagement
 - Word-of-Mouth Promotion



ROI Tips

- Google Analytics, AddThis, and other tracking tools can facilitate the tracking efforts
- Use promotion codes and ask new customers what influenced their purchase decision at purchase
- Carefully define the lifetime value of a customer to establish the your marketing and social media budgets
- Use unique project codes for social media campaigns.

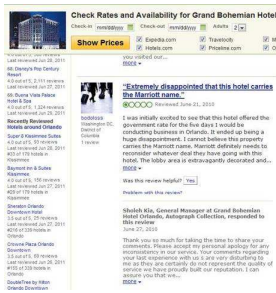


Social Media is **not free**

- ...*although it's seems free!*
- Strategic consultant, employee or third party will cost money
- Training
- Creating and distributing content
- **Time**



Criticism is Opportunity



- Don't delete criticism
- Admit your shortcomings
- Explain and provide a solution



Basic Guidelines for 95% of Businesses

1. Company profile with contact information for all major social media sites: LinkedIn*, Facebook*, YouTube, Google+, Instagram, Twitter, and Pinterest.
2. Determine the audience you wish to reach and choose your social media tools accordingly.
3. Under-promise and over-deliver. Don't launch campaigns you cannot manage.
4. Spread out Social Media activities over different days and different times of the day for best reach.



*Company and employees

Final Thoughts



- Social media cannot stand alone.
- Social media will not fix a broken business or bad value story.
- Be authentic and transparent online, just like in person. Be human!
- Participate and enable conversation.
- Find the right social sites through audience profiles and trial.

Part 4 – Research Opportunities



Social Media Marketing Research

Scholarly Research, focused on "Social Media Marketing":

- 2017 = 0 (so far)
- 2016 = 0
- 2015 = 1
- 2014 = 4
- 2013 = 3
- Last 5 years = 8
- 2012 = 4
- 2011 = 3
- 2010 = 3



Opportunities:

- Digital measurement and metrics
 - CIE, CIV / actual sales increase (Kumar, Bhaskaran, Mirchandani, & Shah, 2013)
- Drivers / Determinants
 - SEM on drivers, luxury products (Kim & Ko, 2012)
 - eWOM engagement drivers (Chu & Kim, 2011)
- Generation Y, Millennials (Bolton et al., 2013)
- Quantitative / Company Case Studies
 - Starbucks 3M framework (Gallaughier & Ransbotham, 2010)
 - 145 B2B firms (Järvinen, Tollinen, Karjalainen, & Jayawardhena, 2012)

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Source: http://www.scimagoir.com/

Thank You!

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