



“Social Media and Your Business’ Future”

Presented by M/A/R/C Research



NATIONAL ASSOCIATION OF LOCAL ADVERTISERS



Introductions

M/A/R/C Research

- 40+ years in traditional Marketing Research
- B2C, B2B, B2G custom research solutions
- Predictive modeling tools developed by M.I.T.





Introductions



Eric Swayne

**Director, Social Analytics
& Insights**

- Small, Medium and Enterprise level experience
- Social monitoring, community management, social marketing
- Measurement, analysis, ROI model development

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The World Has Changed

If Facebook were a country,
it would be the world's 3rd
largest

YouTube is the 2nd largest
search engine

If you were paid \$1 for
every article posted on
Wikipedia, you would earn
\$1,712.32 – *per hour*

25% of search results for
the world's top 20 largest
brands are links to user-
generated content





شكراً... شباب مصر
FACE BOOK



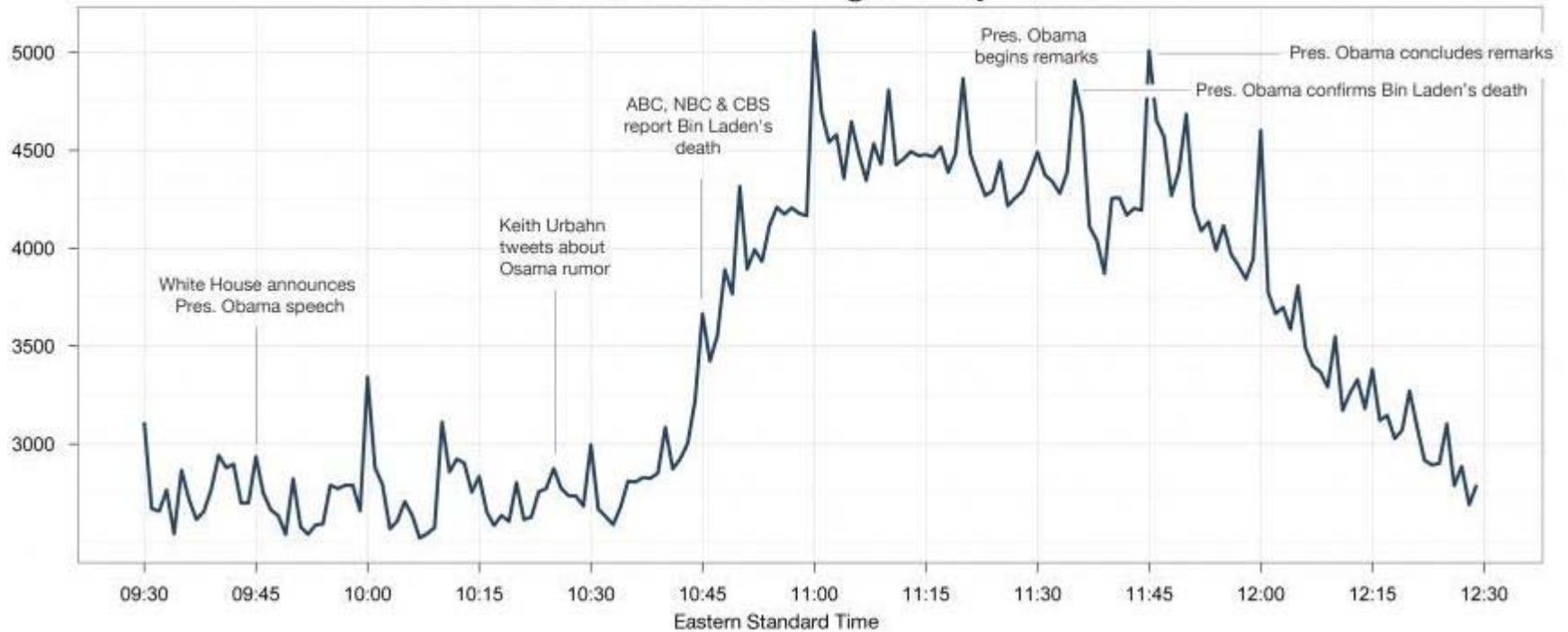
The World Has REALLY Changed

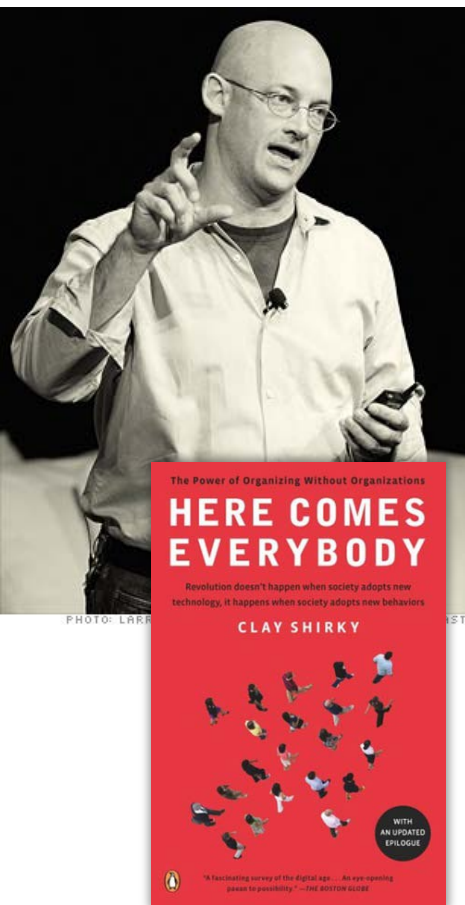




The Revolution Will Be... Tweeted?

Tweets Per Second: Evening of May 1, 2011





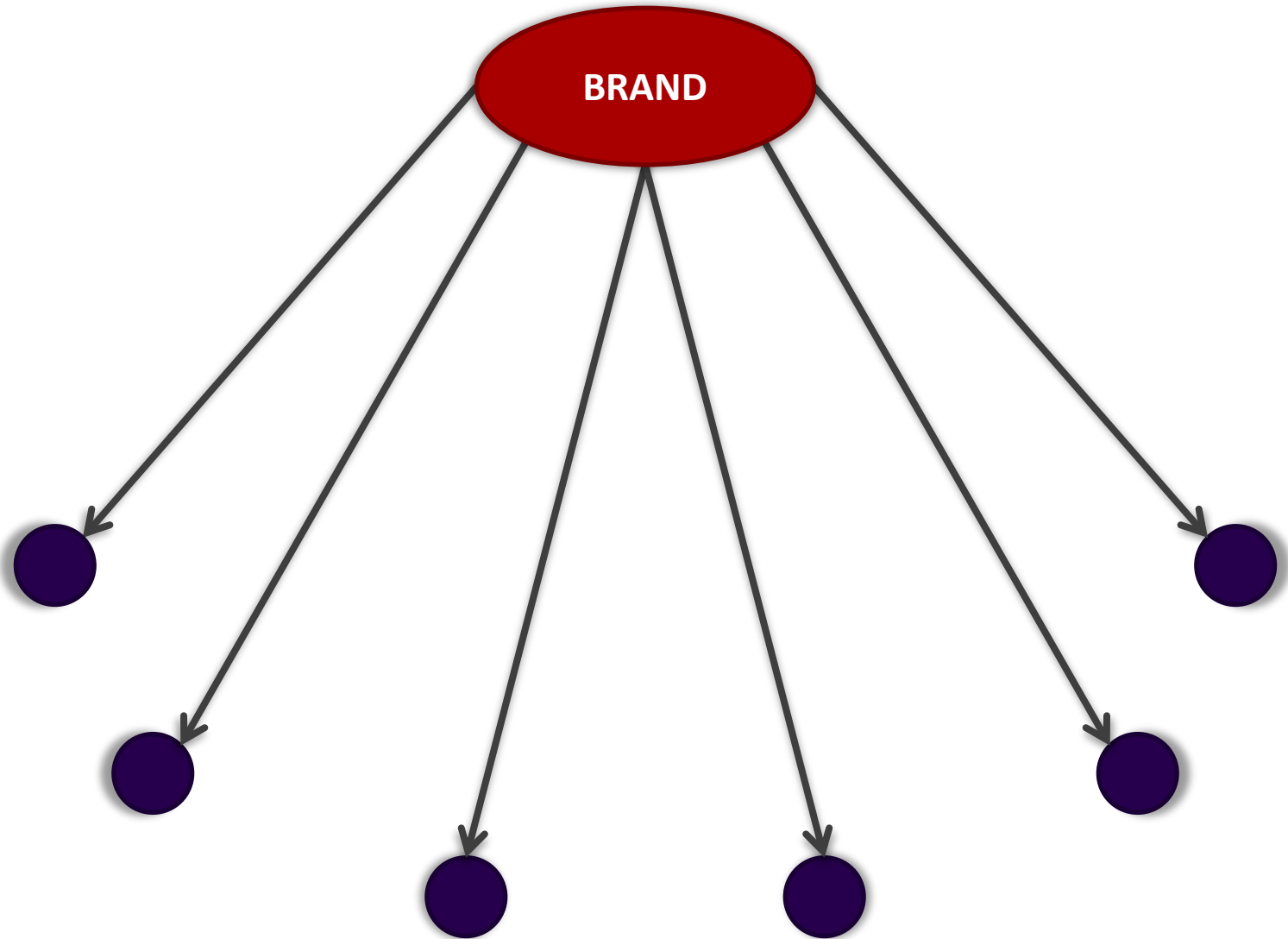
In Libya, M. Kaddafi banned soccer on Feb. 2 throughout the country. **“He wasn’t afraid of soccer, he was afraid of the stadium,”** [Clay] Shirky said. “Because of the idea people could get together and synchronize their views and organize their actions.”

During the uprisings in Egypt and Libya, the protestors even used the language of digital tools like “#Fail, Game Over and Facebook Revolution.”



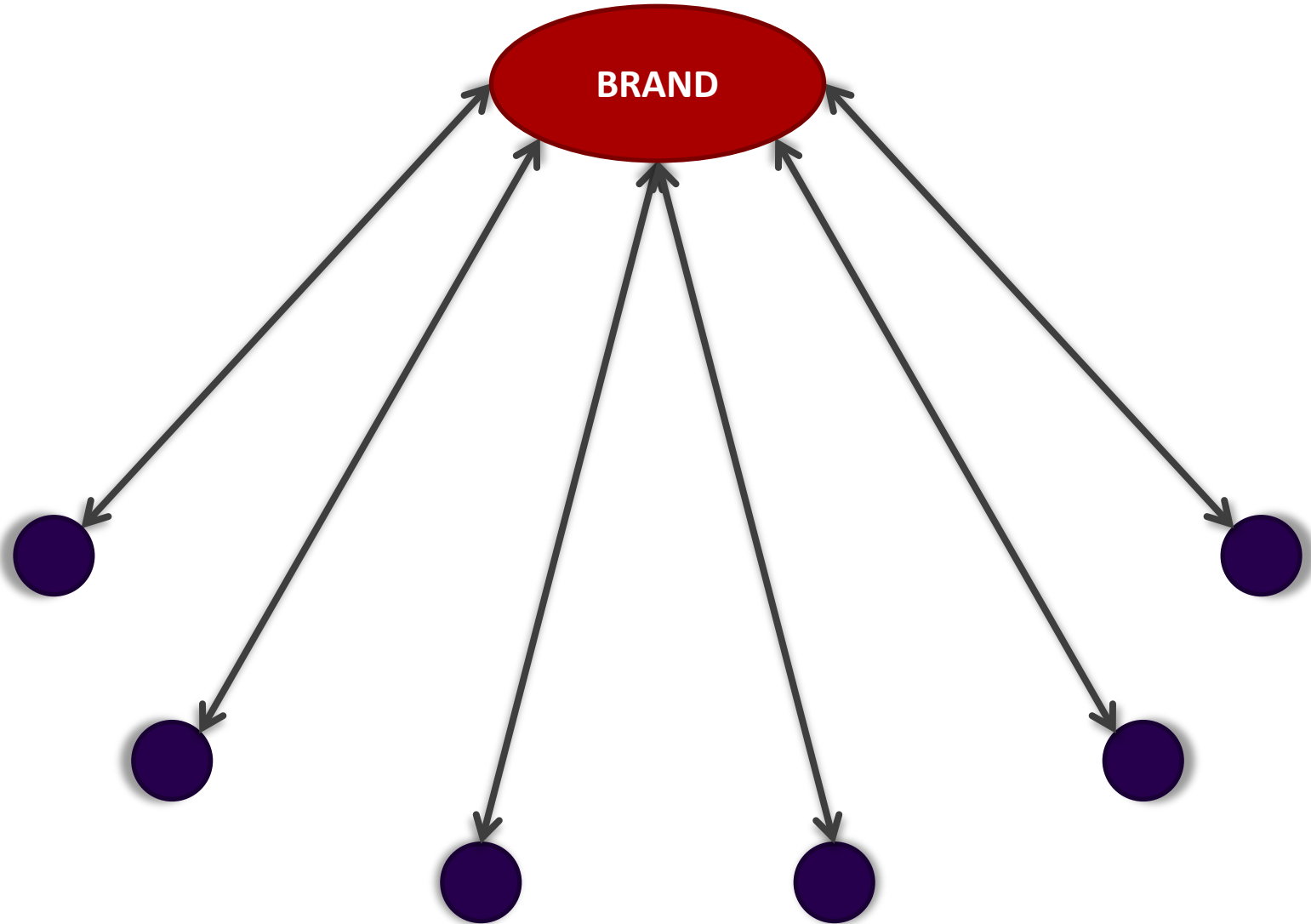


It's Not About the "Soccer"



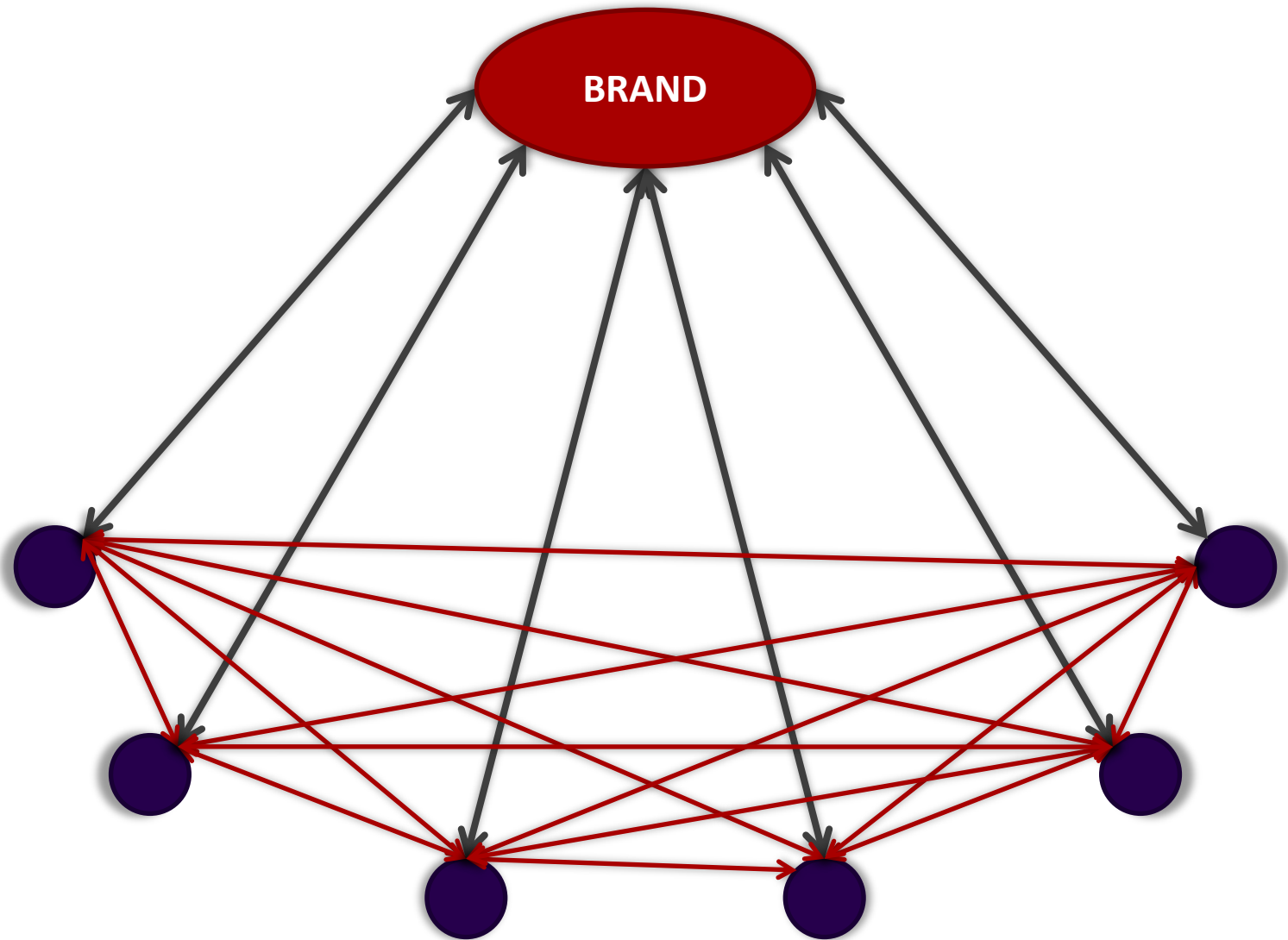


It's About The Stadium





It's About The Stadium

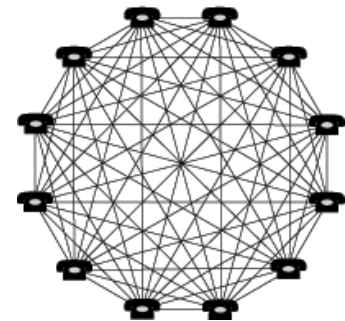
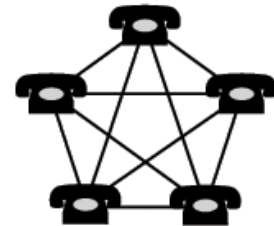
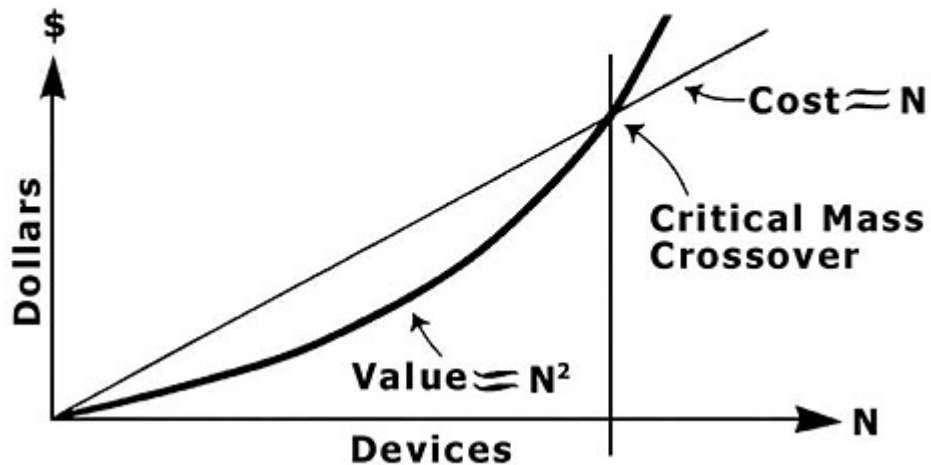




Metcalfe's Law

- Metcalfe's law states that the value of a [telecommunications network](#) is [proportional to the square](#) of the number of connected users of the system (n^2)

The Systemic Value of Compatibly Communicating Devices Grows as the Square of Their Number:



The Power is in the Party Already There



Great Brands Bring Something to the Party

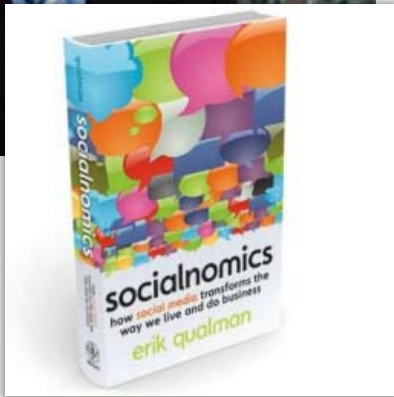


Three Signs of the Socially-Transformed Business

1. Comfortable Conducting
“Business in the Round”
2. Builds a Brand **Based on Dialogue,**
Not on Monologue
3. Uses Social Channels to
Share Value for the Customer

Conducting Business In the Round





“We don’t have a choice on whether we DO social media, the question is how well we DO it.”

--Erik Qualman





Case Study: English Cut

- Thomas Mahon, bespoke tailor of custom suits for men and women
 - Trained by the best tailors in London in the world-renowned fashion district of Saville Row
- Started blogging in 2005
 - Clear focus: sharing the craft of bespoke tailoring, celebrating the work of a true craftsman
 - Written by Thomas himself – his voice, his expertise, his news
- 300% increase in <10 weeks, today recognized as one of the best business blogs



Saving money on clothes normally involves compromising on quality, but tailor Thomas Mahon's revolutionary new made-to-measure service is an exception to this rule. Mahon learned his trade at Anderson & Sheppard but has had his own business since 1995, and he cuts his clothes in the 'soft' style that is A&S' trademark. The beauty of this is that Mahon's clothes are incredibly comfortable, as well as looking good.



Getting Started: **Business in The Round**

■ Know Your Brand Story

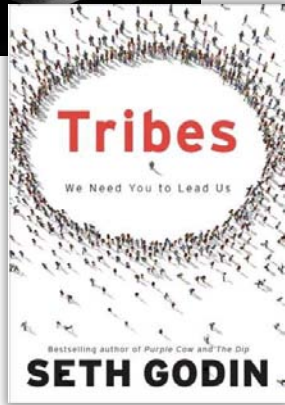
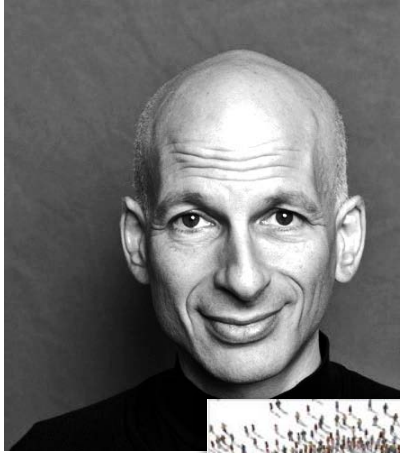
- Where are you particularly strong? What's your biggest differentiator from competitors?
- What problem do you most often solve for customers?
- How much of your business is educating your customers? How much is creating your actual product / service?

■ Embrace Your Channels

- Don't try to do everything at once
- Focus on channels that make the most of your Brand Story:
 - Long-form narrative = Blog
 - Video vignettes = YouTube
 - Consistent, valuable updates = Twitter

Building a Brand Based on Dialogue, Not on Monologue





“Some organizations are good at listening. Some are good at talking. A few are even good at both.

But having a dialogue is different.

It's about engaging in (sometimes) uncomfortable conversations that enable both sides to grow and change.”

-- Seth Godin





Brand Dialogue Through Twitter

- ▶ May 2011 study from InboxQ
- ▶ Eight in 10 Twitter users surveyed thought business answers were at least as credible as their friends'
- ▶ Six in 10 stated they wanted businesses to respond via Twitter to questions
- ▶ Research indicates users with greater social influence are more likely to desire brand responses

Twitter Users Worldwide Who Would Like to Receive Answers from Businesses* to Their Questions on Twitter, by Number of Followers, May 2011

% of respondents

<100	57%
100+	59%

Note: *assuming the quality is as good or better than the answers received from followers

Source: InboxQ, "Twitter Q&A Census," May 26, 2011

128474

www.eMarketer.com

Likelihood of Twitter Users Worldwide Making a Purchase from a Business that Answers Their Questions on Twitter, May 2011

% of respondents



Source: InboxQ, "Twitter Q&A Census," May 26, 2011

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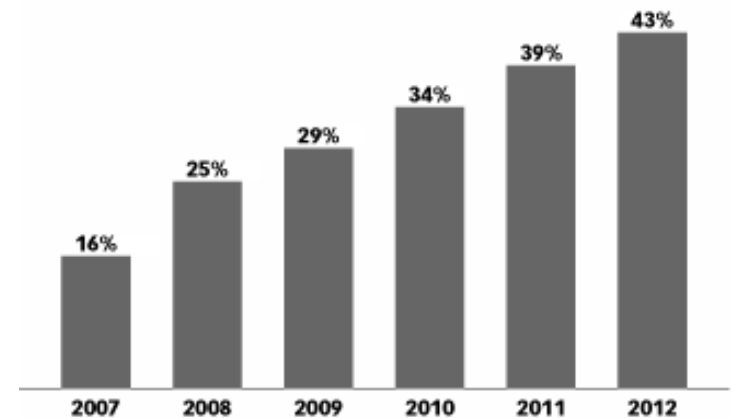
www.eMarketer.com



Brand Dialogue Through Blogging

- eMarketer estimates 43% of US companies (including SMB) will be blogging by 2012
- University of Massachusetts Dartmouth Center for Marketing Research has found lower usage among Fortune 500 companies and **higher adoption among the fast-growing private companies on the Inc. 500 list.**

US Companies Using Blogs for Marketing Purposes, 2007-2012
% of total



Note: includes only proprietary public-facing blogs used for marketing purposes; excludes blogs on social networks and microblogs
Source: eMarketer, Aug 2010

118626

www.eMarketer.com



Case Study: Think Geek

- Novelty online store, specializing in gifts for the serious geek
- April 13, 2011: began selling “chocolate zombie” bunnies
 - Entire stock sold out within 2.5 hours
 - Many sold were damaged in transit – heat and loose packaging caused many to melt and break
- Posted a public response to their blog to the situation on April 21, 2011





Case Study: Think Geek



Apr
21
2011

HOW NOT TO SHIP CHOCOLATE ZOMBIE BUNNIES

By CARRIE

About the Blurgh

ThinkGeek spews random stuff! Got questions, comments or suggestions?

We would like to apologize to everyone who ordered a [Chocolate Zombie Bunny](#) between 11:45am and 2:25pm ET on Wednesday, April 13.

We can be so accurate because that is how many they sold out.

Some of those lucky zombie orderers still got their bunnies, so lucky news: **the bunnies were a little damaged**. In fact, some bunnies were *Walking Dead* standards, while others were *Dead* bunnies. A bunny that's already been double-tapped.



I didn't order a bunny, but I just have to say, a response like this is EXACTLY why I will continue to order from Think Geek! Way to go guys, you put so many other companies to shame, including geek companies I no longer purchase from. A+^infinity

FishRockette said this 53 days ago.



All of the bunnies I ordered were damaged and I did receive a full refund...thank you! I managed to make the best out of the situation and made Franken bunnies! I took the most damaged bunny and melted him down to weld the other broken bunny pieces together...used a little black gel icing and made some stitches and they were as good as new....err...dead! I emailed pix to your customer action shots of my Franken bunny project! Thanks for your assistance with my order thinkgeek! Can't wait to see what the new breed of zombie bunnies will have in store! Xoxo

meltothev said this 53 days ago.



Getting Started: Dialogue-Based Brands

■ Step #1: Listen

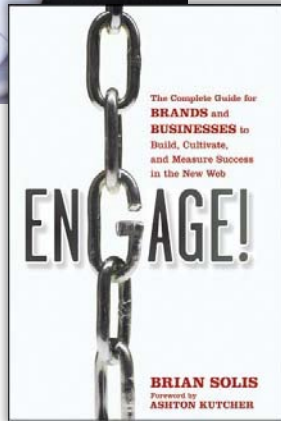
- What are consumers saying about your brand?
- Free sources like search.twitter.com; Google Realtime
- Compare with in-person customer feedback

■ Respond Selectively

- Focus on customers you can genuinely help, not just ranters
- If a customer makes a good point, thank them for their feedback
- Celebrate positive comments by sharing them on your social platforms

Using Social Channels to Share Value to Customers





“Brands earn the attention, trust, loyalty and advocacy they deserve and **by delivering value across all of the fronts that determine the success** and prominence of brands offline and online, businesses can earn the reward of community and commerce.”

-- Brian Solis

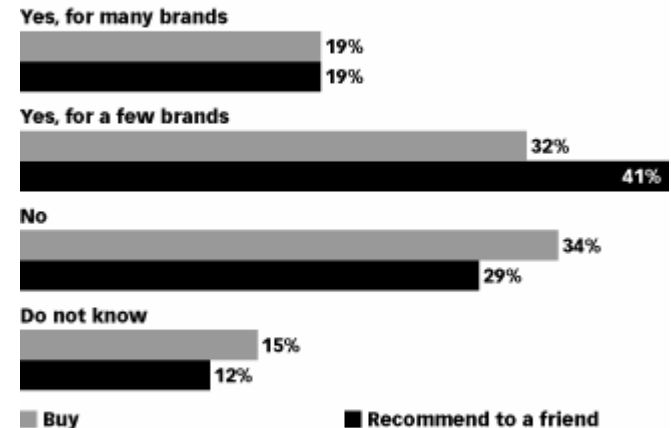




Facebook Users Reward Brand Value

- March 2010 study from Chadwick Martin Bailey and iModerate
- >50% of consumers who Like a brand on Facebook said they would purchase from that brand
- 60% indicated their Facebook follow increased that likelihood
- #1 desire of Facebook fans from brands: Discounts and Promotions

US Facebook Users* Who Are More Likely to Buy/Recommend a Brand Since Becoming a Fan/Follower on Facebook, February 2010 (% of respondents)



Note: ages 18+; numbers may not add up to 100% due to rounding; *who are a fan of at least one brand

Source: Chadwick Martin Bailey and iModerate Research Technologies as cited in press release, March 10, 2010

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www.eMarketer.com



Case Study: Kogi

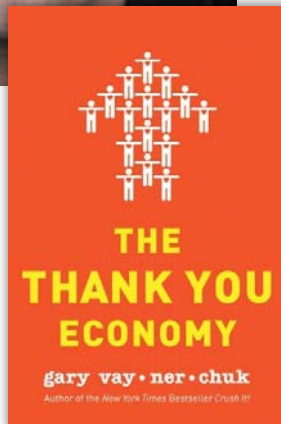
- Food truck business in LA, offering a unique combination of Mexican and Korean cuisine
- Publishes the locations of each of their trucks on Twitter
 - Informs customers instantly of where they'll be, what's on the menu
- Over 8K Twitter followers in first 4 months, currently at 88K
- Loyal customers have created multiple YouTube tributes and even a song: "Ode to Kogi"





Getting Started: Sharing Value

- Investigate What Your Customers Want Online
 - What do they ask for the most? What are your most unforgettable products or services?
 - What are the things that have high perceptual value, with low business costs? (e.g. extra popcorn butter)
 - What do your customers wish they knew better about your business?
- Reward, Surprise and Delight
 - Where are the places where you can share your knowledge? (Blog, Twitter, Facebook, etc.)
 - Surprise your most loyal (and vocal) customers
 - Reward actions that increase your brand following or bring new customers to your brand (likes, follows, mentions)



“We are massively underestimating this culture shift... We are in the era of the humanization of business.
We're living by small town rules again.”

-- Gary Vaynerchuk



Thank You!



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