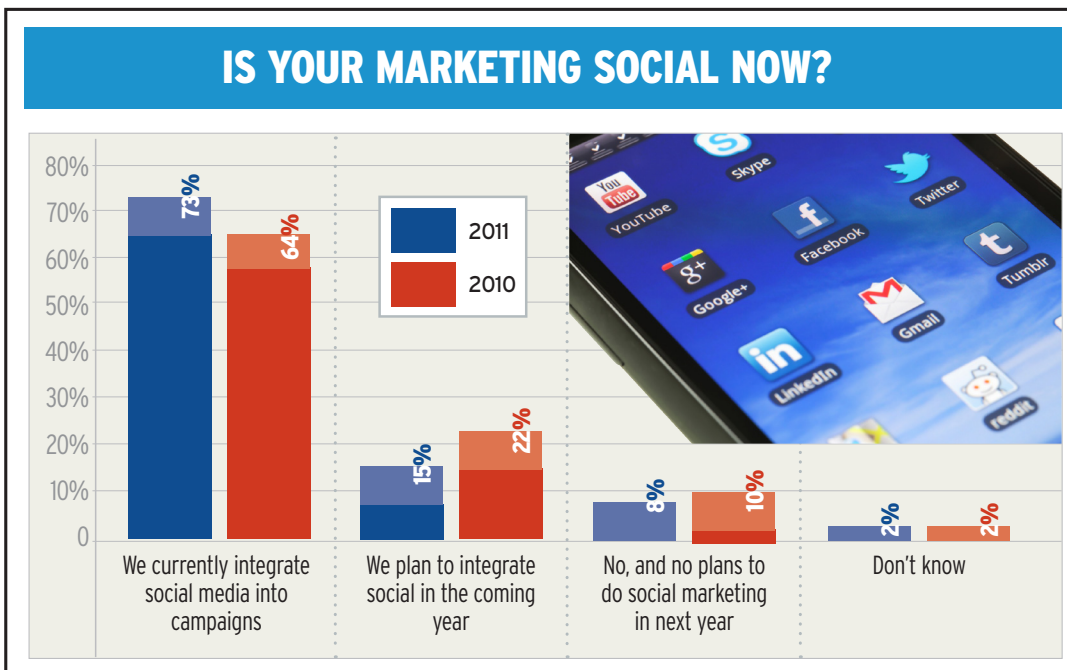


# SOCIAL MARKETING GOES MAINSTREAM BY BRIAN QUINTON

What's the tipping point when a channel morphs from "niche tactic" to "mainstream marketing tool"? It's arbitrary, but 75% seems as good a milestone as any. Once three-quarters of marketers adopt a medium as a valuable way for engaging with their target prospects, you can safely assume it has gone big time.

According to this year's Chief Marketer Social Marketing Survey, we're just a tad shy of that mark. About 73% of respondents to this year's survey say they now incorporate social messaging of some kind into their campaigns. That's up from 64% who said the same thing last year. And of the remaining respondents who don't currently use social media for marketing, a further 15% say they expect to launch social initiatives in the coming year—leaving only 10% who say they will not be social 12 months from now, or who are not sure. (Totals don't equal 100% due to rounding.)



MARKETERS MAY DOUBT WHAT A FAN'S WORTH, BUT THEY SEEM MORE SURE THAN EVER THAT SOCIAL IS A CHANNEL WORTH EXPLORING.

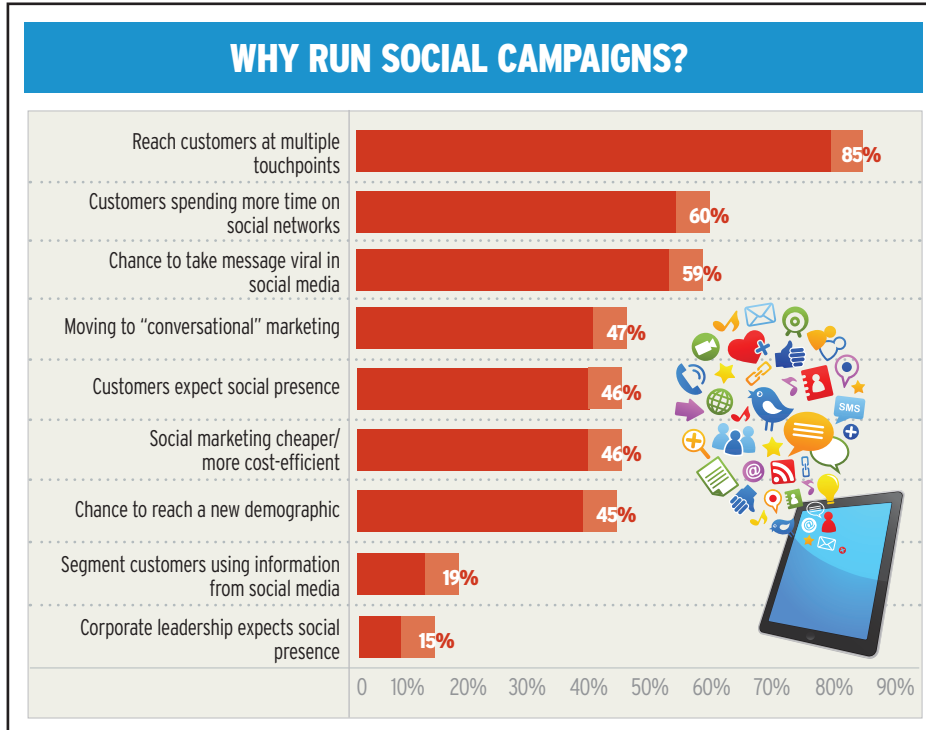
**B-TO-C SLIGHTLY AHEAD** Predictably, consumer-facing brands overindex in integrating social media into their marketing campaigns. Seventy-eight percent of respondents representing B-to-C companies told Chief Marketer they now use social to reach their audiences, and another 13% said they plan to incorporate social in the next year. But B-to-B companies aren't far behind. A bit more than 68% of B-to-B respondents also said they now use social media in their marketing, with 15% planning to do so soon. Both those levels-- B-to-B and B-to-C-- are higher than the overall figures we recorded last year for social-marketing participation, current and near-term projections.

Adoption varies widely according to vertical industry. Content publishers, non-profits and hospitality/ travel brands lead in social marketing, with takeup in all three at around 84%-85%. That's followed by retailer respondents (78%) and entertainment brands (75%), and consumer package goods (68%). The least social industries? Financial/real estate (57%) and healthcare (55%).

**GOING SOCIAL** The ability to reach customers at multiple touchpoints rather than simply through one channel remains the most often cited benefit of social marketing, according to 85% of this year's respondents (81% in 2010). And 60% of those polled this year say they're involved in marketing through social media for the plain reason that their target customers are spending increasing amounts of time in those channels, compared to 59% who said the same last year.

For the first time, this year's questionnaire allowed respondents to list the viral effect of social media as one of its key benefits. And it turns out that it's a big one: 59% named it as one of the three key assets of social marketing.

Other reasons for including social in the marketing mix included a transition to one-to-one messaging, customer expectations, cost efficiencies and the chance to reach previously untapped audiences. Least important: Doing social because the boss expects it (15%).

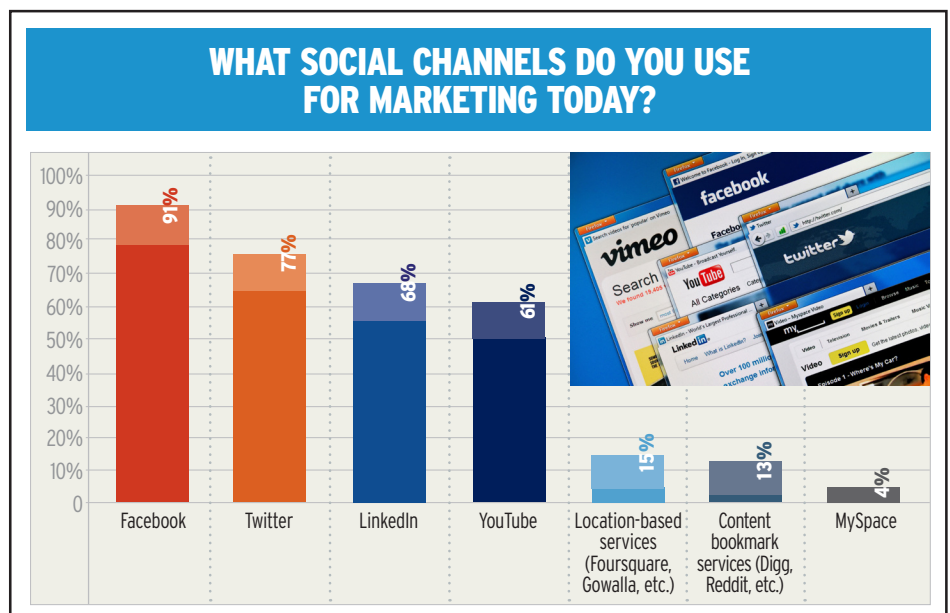


## CHANNEL CHOICES

Facebook is far and away the most common channel for social marketing among the total response group; 91% of those who say they do social marketing run campaigns there, either on their brand pages or via apps or ads.

The big surprise is the jump in the use of Twitter as a marketing channel since last year's survey. In 2010, only half of total respondents said they were currently using the real-time messaging platform to reach their audience, with another 15% planning to incorporate it in the next year. But this year's survey found 77% of marketers claiming to tweet for marketing purposes, making Twitter a strong second option for social campaigns.

LinkedIn gets use by 68% of all respondents, and YouTube by 61%. But among B-to-B marketers polled, LinkedIn edges out Facebook by a nose (86% vs. 85% of respondents in the category). Twitter use is if anything more widespread than the overall average (81%), while YouTube is slightly less important to B-to-B marketers than to the response total (59%).





SOCIAL LOOMS LARGE FOR SMALLER PLAYERS: COMPANIES WITH REVENUE OF \$5 M OR LESS GET 17.7% OF WEB TRAFFIC FROM SOCIAL CHANNELS, VERSUS 12% FOR THOSE WITH SALES OVER \$50 M.

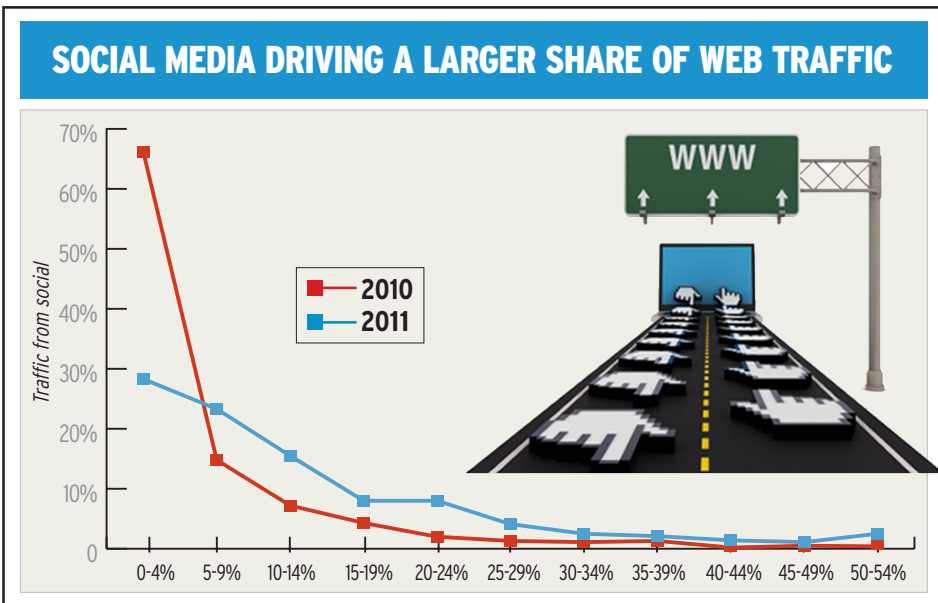
**SETTING SOCIAL AIMS** As in the 2010 social marketing survey, the aim most often cited for doing social marketing is simply to drive traffic to a brand Web site or other microsite. Two-thirds of respondents named that among their top three goals for social marketing this year, compared to 56% in 2010. On average, respondents to this year’s survey get 15% of their Web traffic from social media, compared to only 7% a year ago.

Interestingly, a larger proportion of those polled cited “generate leads or sales” as a strategic goal for social marketing: 48%, compared to 41% who said the same last year. That increase was just enough to edge out “identify and address brand fans” (47%), the second most popular aim in the previous survey. At the same time, amassing total followers fell off as a stated aim from 34% in the 2010 survey to only 26% this year, behind driving opt-ins and monitoring brand reputation. The suggestion is that simply racking up fan counts is giving way to more hard-edged indicators of social marketing success—especially those that drive to the bottom line.

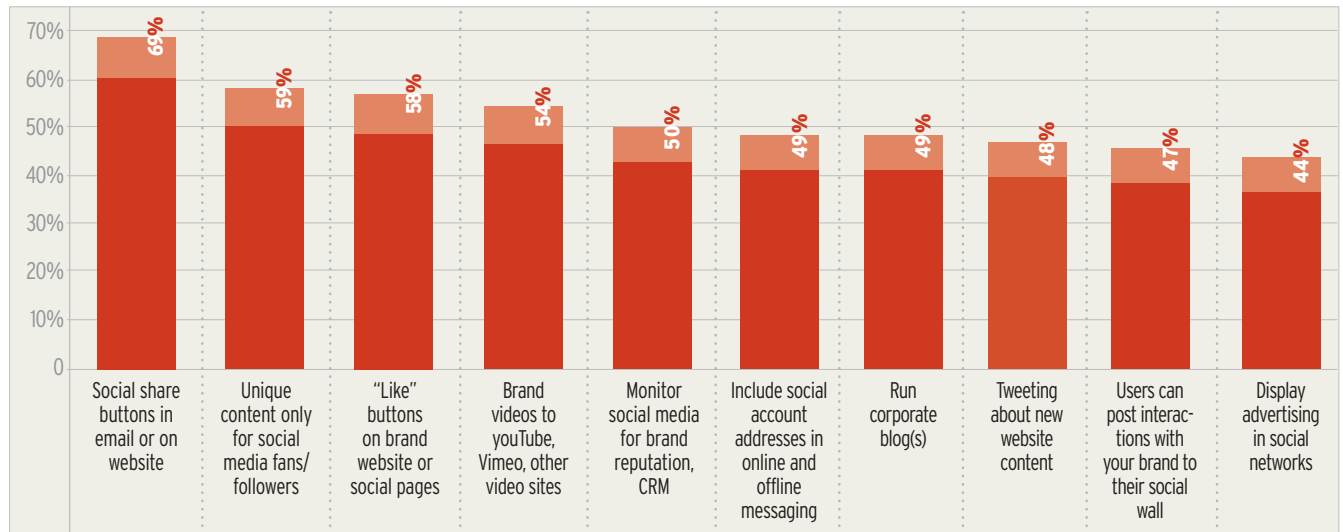
**SOCIAL-TO-WEB**

Respondents told Chief Marketer that more of their Web audience is coming in through the social window this year. In fact, the average company polled now sees 14.7% of its inbound traffic coming from any kind of social medium or channel. That’s just short of double the proportion of Web visits from social media last year for the average brand (6.7%).

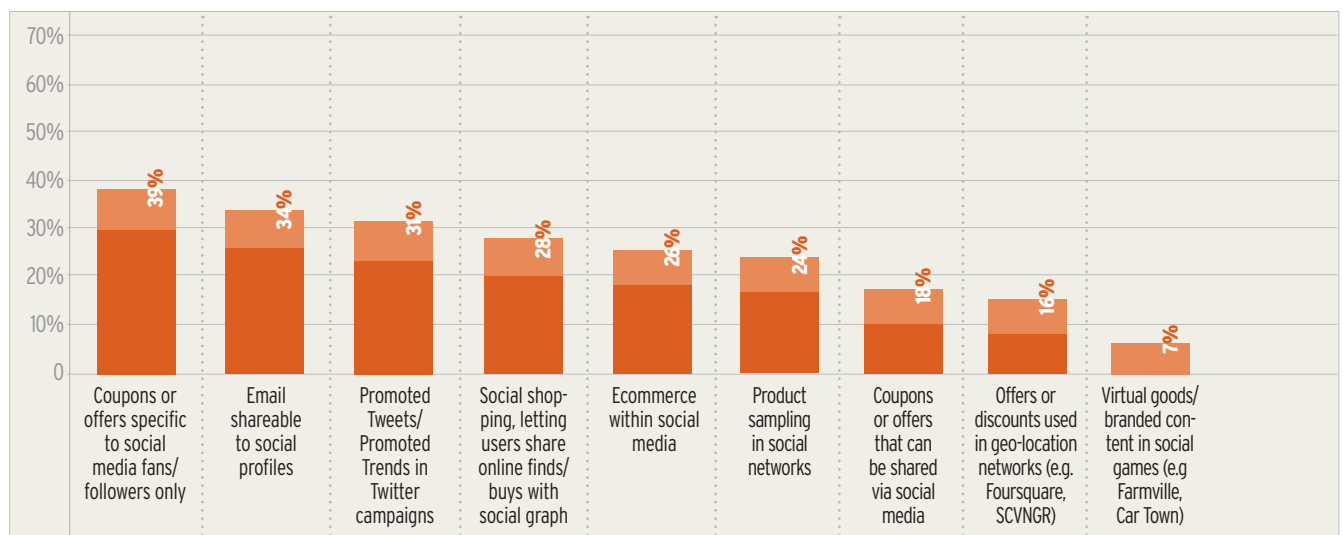
Social marketing has a disproportionate impact depending on the size of the company, too. Brands polled for this survey earning \$50 million or more in 2010 saw their social-to-Web stream grow from 5.8% last year average to 12% this year. But small companies that took in \$5 million or less in 2010 got 17.7% of their traffic from social this year, up from 8.1% last year. And very small companies earning \$1 million or less annually say they now get almost one-fifth of their Web traffic (19.8%) from social channels, compared to 9.4% last year.



### TOOLS & TACTICS FOR ENGAGING SOCIAL FOLLOWERS: PART 1



### TOOLS & TACTICS FOR ENGAGING SOCIAL FOLLOWERS: PART 2

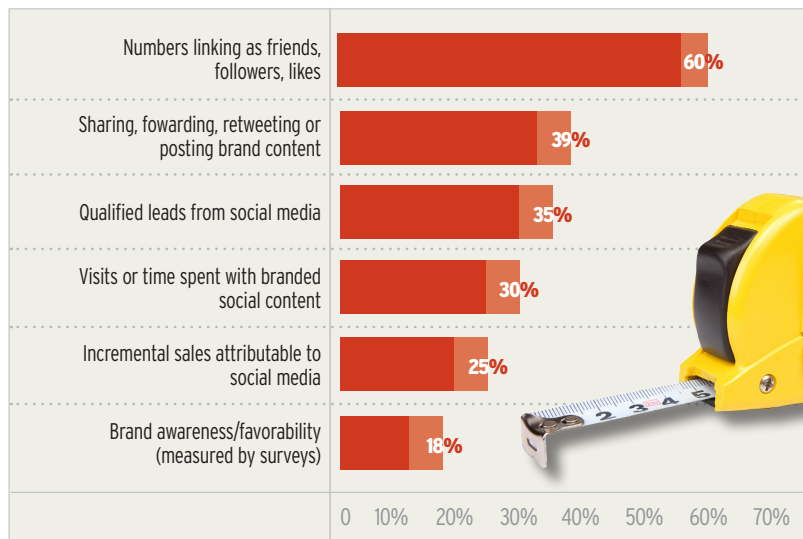


**SO MANY TACTICS** Respondents are deploying a pretty full range of social-marketing tools, but the classic still has the most appeal: More than two-thirds of respondents who use social marketing let visitors or email recipients share content to their social pages, where it can get picked up by their friends. Fewer, but still substantially more than half of social marketers, offer special content to their social media fans (59%) or place “like” buttons around their Web or social pages to connect with their supporters. And 54% of brands say they post video to YouTube, Vimeo or other aggregator sites.

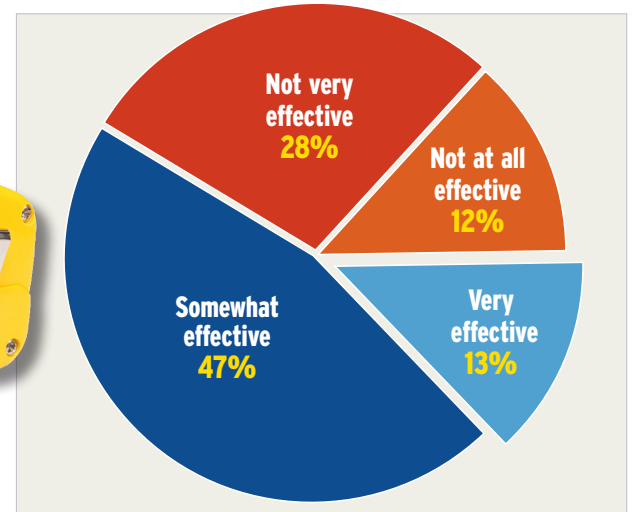
Down at the more “niche” end of the spectrum, 31% of respondents say they have used Promoted Tweets in a Twitter campaign and 26% say they can conduct transactions within social media; both results seem anomalously high. Only 16% of respondents said they have offered rewards or discounts in location-based networks such as Foursquare, Gowalla or SCVNGR. And only 7% say they have marketed by offering virtual goods of branded content in a social game such as Farmville—although of course those few include some of the biggest brands in the country, from 7-Eleven and McDonald’s to Doritos and State Farm Insurance.

“EVEN IN SOCIAL MEDIA, YOU NEED AN AUDIENCE BEFORE YOU CAN START MARKETING AT SCALE.”

**HOW DO YOU MEASURE SOCIAL MARKETING SUCCESS?**



**HOW GOOD ARE YOU AT MEASURING SOCIAL CAMPAIGNS?**



**HARD TO MEASURE**

Setting a goal for marketing is one thing, but measuring progress toward that objective often involves compromises. Respondents may say simply acquiring followers in social media is less important strategically. But when it comes to how they measure social success, raw numbers still take precedence. Sixty percent of those polled in the 2011 survey say the number of fans, followers, friends and likers they can get to sign on still counts as their top metric. That’s virtually the same proportion that cited head counts as the primary measurement tool last year.

That persistence of sheer numbers may be due to the fact that many brands have yet to reach a critical audience mass in social marketing. The big guys may have millions of fans, but the great majority of lower-tier companies are still bumping along with a few thousand, or even a few hundred followers. “Even in social media, you need an audience before you can start marketing at scale,” one respondent commented.

Marketers are aware that their efforts to measure the impact of social marketing fall short of their aims, and in virtually the same proportions as last year. About 13% say they (or their agencies) are “very effective” at measuring social success; just less than half (47%) say they are “somewhat effective”. But a hefty 41% admit that they are either “not very” or “not at all” effective when it comes to figuring out how well their social marketing is delivering results.

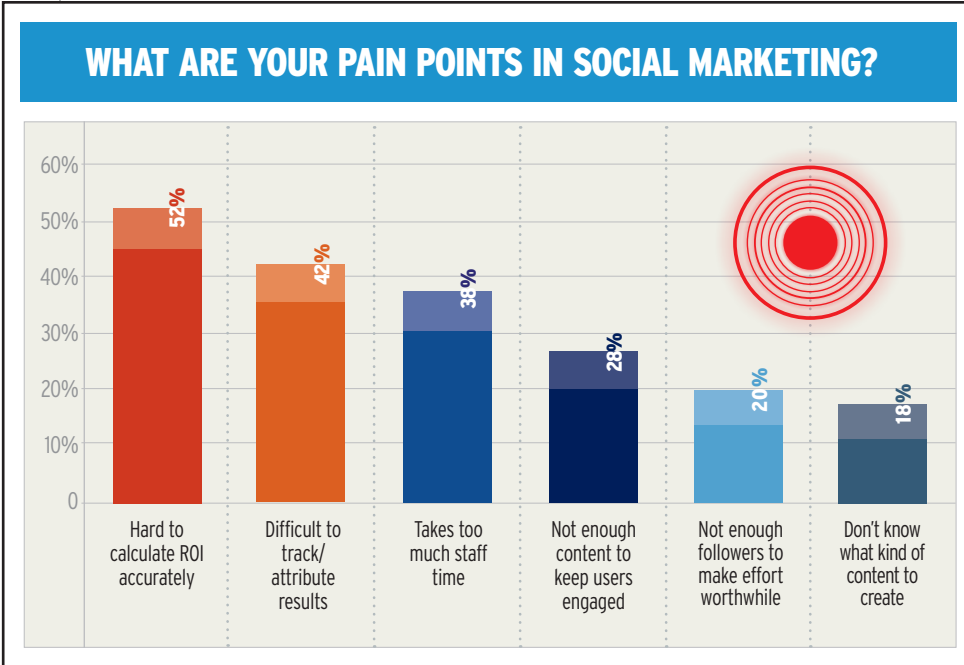
**WHY NOT SOCIAL?**

In fact, problems of measurement figure prominently in the list of top social marketing pain points. Fifty-two percent of respondents cited the difficulty in calculating an accurate return on investment (ROI) from social media campaigns as their biggest frustration point in social marketing. An additional 42% pointed to the relative inability to track sales or attribute other conversions to any engagements customers might have had with their brands' social content.

The staff hours required to do social marketing well is the Number Three concern among practitioners (38%), followed by uncertainty about how to feed the social-media content beast (28%) and attracting enough followers to justify the time and effort spent (20%).

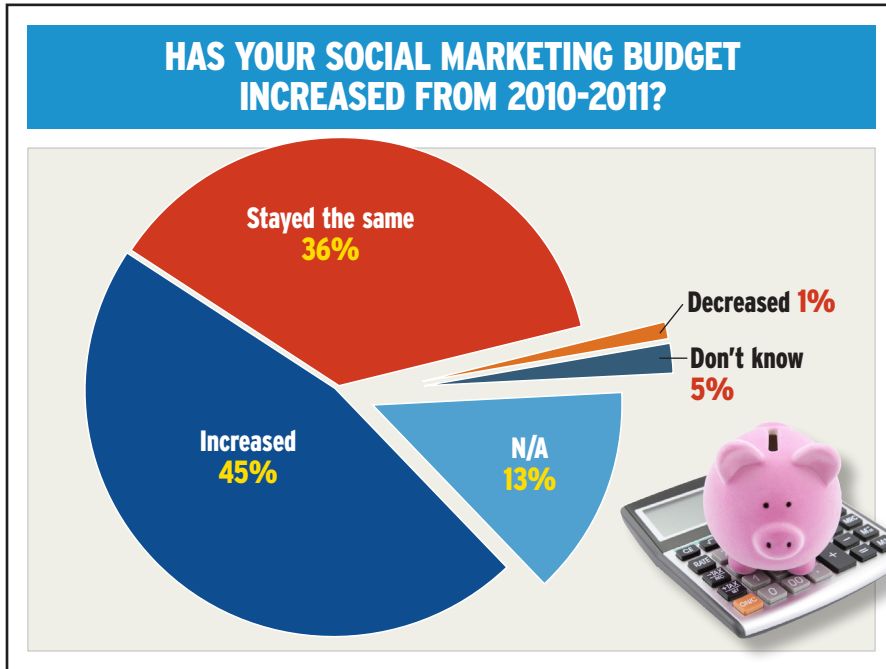
Among that minority of marketers polled (8%) who say they do not now use social media for marketing and don't intend to do so in the coming year, a range of reasons are offered, from a lack of interest on the part of their customers (36% of that small group) to "Can't spare the time" (33%) and the absence of a clear push from corporate leadership to get social (32%).

The greatest part of those social nay-sayers are pure B-to-B brands (62%), with consumer brands (21%) or hybrids (17%) coming in at lower rates.



52% OF RESPONDENTS CITED THE DIFFICULTY IN CALCULATING AN ACCURATE ROI FROM SOCIAL MEDIA CAMPAIGNS AS THEIR BIGGEST FRUSTRATION POINT IN SOCIAL MARKETING.





MARKETERS' FRUSTRATIONS WITH SOCIAL MEDIA INCLUDE LACK OF TRANSPARENCY, INTERNAL FIGHTS TO CONTROL THE CHANNEL, RESOURCE COSTS—AND TOO MANY OPTIONS.

**DOUBTS, YES—BUT BUDGETS RISE** Those complaints aside, spending on social marketing is on the increase for a plurality of marketers. Forty-five percent of respondents say their social media budgets grew between 2010 and 2011; that's larger than the 36% whose spending stayed level over the period. Only 1% of those polled reported that their social marketing allocations decreased in that time.

Naturally, those increases come on some fairly small numbers. The average respondent to the 2011 survey reportedly will spend about \$166,000 on social marketing this year. Almost half say they expect their outlay for the year to be under \$5,000; those low levels are offset, however, by the 11% who say they will spend more than \$100,000 in the channel this year. And 2.6% of respondents told Chief Marketer they will spend anywhere from \$1 million to \$10 million on social marketing this year. ●

## METHODOLOGY:

The 2011 Chief Marketer Social Marketing Survey was conducted online between August 18 and August 31, 2011 and polled 750 active marketing professionals distributed across business-to-consumer and business-to-business models, from brands and agencies in the manufacturing, retail, financial, healthcare, travel, entertainment, advertising, publishing, database and nonprofit sectors.