

The Social Marketing Funnel: Driving Business Value with Social Marketing



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Why the Social Funnel?

In 2004 I launched my first corporate blog. At the time I was running sales and marketing for a small software company and was focused on demand generation through 'traditional channels' like email, banner ads, direct mail, etc. I still remember the reaction I got from the team when I told them we would be launching a corporate blog. To quote a line from one of my favorite movies, *A Christmas Story*, 'they looked at me as if I had lobsters crawling out of my ears.'

Fast-forward to 2006. That blog had grown to become an integral part of our marketing mix and was directly responsible for a high percentage of our leads. The company had evolved from viewing the blog as something we were 'experimenting with' to a critical component of our marketing. It positioned us as thought leaders and allowed us to tell our story in a way that attracted buyers and nurtured relationships with our prospects and customers.

I was reminded of my first blog story several times while developing this eBook. Although social media is no longer seen as a fad, we see many companies still struggling with how to participate in it and generate meaningful results. While companies' social media understanding has evolved from 'Should we be on social media?' to 'How can we improve our social media activities?', brands still grapple with the key question of the value of social media. That simple question of value transcends company size, industry and focus.

Our team at Awareness realized that while social is still evolving as an industry, we don't simply need new processes, how-to's and a set of measures – our industry needs a new decision framework. A framework that offers companies a scalable way to think about and participate in social, allocate resources, and measure the impact to their bottom line. Our experience in the field, our ability to work with some of the leading social thinkers and brands such as Major League Baseball, Carlsberg, Demandware, and Starwood Hotels and Resorts, helped us formulate a new approach and a new social framework - 'The Social Marketing Funnel', a proven methodological way of getting the most out of social.

We hope you enjoy the findings of this book and we want to hear your feedback, comments, successes and insights. Please be sure to let us know what you think by tweeting us @awarenessinc or [jumping on our blog](#).

Best,



Mike Lewis

VP of Sales and Marketing, Awareness, Inc.

@bostonmike



Social Marketing
Funnel

The Social Marketing Funnel: Driving Business Value with Social Marketing

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*We appreciate
all your help!
~The Awareness
Team!*



91%

of fortune 500
companies use
social media
as part of thier
marketing mix.

Executive Summary

Inc. reported in a 2009 study that 91% of Inc. 500 companies use social media as part of their marketing mix¹. While marketing with social media platforms continues to grow by leaps and bounds, measuring and tying social media efforts to true benefits and ROI continues to elude many marketers.

Most marketers struggle to identify, capture, and leverage the myriad social conversations related to their brands. Marketers face big challenges in knowing how to respond to the different types of brand conversations happening in the social realm and prioritizing their efforts on the areas that will bring the most benefits.

To help companies focus staff, resources, and expertise on harnessing and creating value from the overwhelming amount of raw social media data available, we propose a strategic “Social Funnel” framework with associated metrics. These metrics provide indicators on expanding market share and generating more leads, or new buyers, above the traditional marketing and sales funnel. The Social Funnel approach allows small and large organizations alike to capture customer insights and demand sooner, before entering the buying process.

*In the 2011 Social Media Marketing Industry Report: How Marketers Are Using Social Media to Grow Their Businesses*², Social Media Examiner noted that among experienced social media marketers, 72% reported closing more business as a result of social media efforts; 52% reported lead generation benefits with social media. Investing in the Social Funnel will allow companies to effectively identify demand and manage brand reputation by responding to comments and feedback from customers, prospects and others.

**72% of marketers reported closing more business
as a result of social media efforts; 52% reported
lead generation benefits with social media.**

This eBook aims to help CMOs and social media strategists think about organizing and optimizing social marketing in the context of building a Social Funnel above the traditional marketing funnel and lays out the steps and best practices to get the most value from social media investments.

¹<http://www.inc.com/news/articles/2009/11/inc500-social-media-usage.html>

²<http://www.socialmediaexaminer.com/social-media-marketing-industry-report-2011/>

Data Presented in this eBook

Awareness, Inc. analyzed aggregate social media platform, profile, and comment data from close to 100 businesses of all sizes (managed by the brands themselves or by agencies on behalf of brands) from multiple industries. The data analyzed for this eBook was pulled from activity in 2011 from the Awareness Hub for the purpose of analyzing trends, identifying best practices, and establishing benchmarks related to use of social media networks.

Awareness also interviewed a number of marketing experts to get their take and insights on how to best leverage social media for business value. For a complete list of experts, please refer to Appendix One.

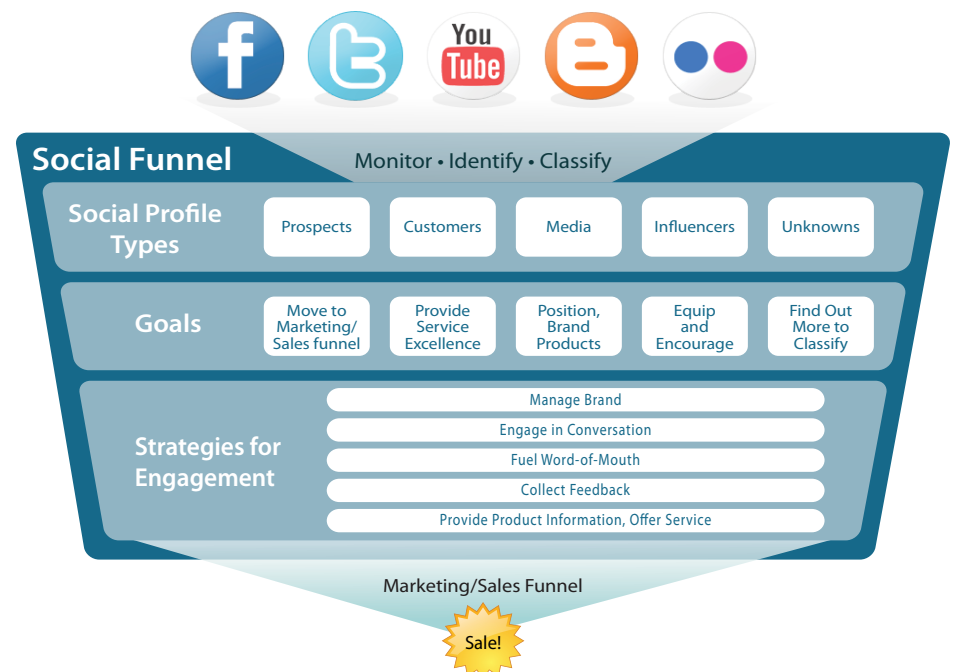
Social media channels such as Twitter and Facebook, increasingly the venues of choice for consumers to collect information and connect with brands, present a strategic opportunity for companies to create a “Social Funnel” above the traditional marketing and sales funnel—where consumers take the lead in finding information and content that ultimately drives brand preference and sales.

What is a Social Funnel and why you need to build one

In *Winning the Consumer Decision Journey*³, McKinsey & Company’s David Court shares that, in the new social and digital age, “the path to purchase and loyalty is now complex, iterative, and dynamic.” In this new environment, creating a Social Funnel allows brands to identify and have access to buyers long before the buying process begins.

The Social Funnel Defined

The Social Funnel is a dynamic collection of consumer activity across social media channels, which sits on top of the traditional marketing and sales funnel. Developing a Social Funnel requires a systematic process of identifying and capturing consumer interactions across a variety of social media channels, aggregating this activity in a social customer relationship management (SCRM) infrastructure, and continually mining this insight to deliver relevant content to the right social profile at the right time. The chart below describes the Social Funnel and its tie to the traditional marketing and sales funnel:



To be effective, Social Funnels need to be tightly integrated with traditional customer relationship management (CRM) systems to create a 360-degree view of a prospect to allow marketers to nurture

³http://www.mckinsey.com/client_service/marketing_and_sales/latest_thinking/cdj/winning_the_consumer_decision_journey.aspx

LinkedIn
100
million users

twitter
175
million users

facebook
750
million users

flickr
5 Billion
hosted images

this relationship over time using a combination of social and traditional channels.

The integration of social media with the traditional funnel is one of the key priorities for brands in 2011. Although only 6% of companies today report that they fully integrate social with traditional marketing funnels⁴, experts agree that this integration holds a lot of potential. “Integrating social deeper into existing CRMs is going to be very popular in 2011 – we expect to see a growing number of brands tying customer records to public social profiles and bread crumbs”, says Nathaniel Perez, head of social experience at SapientNitro.

David Berkowitz, senior director of emerging media and innovation for digital marketing agency 360i, agrees but tempers things by saying that “we are still early in the process but tying social profiles to CRM systems will be big.”

The Breadth of Social Media

The incredible breadth of social media is one reason the Social Funnel is such an attractive target for marketing investment. Besides customers and prospects, the Social Funnel offers access to millions of people with an unclassified relationship to the brand. This funnel includes every social media user across all social media platforms, which keep growing in popularity every year. According to Econsultancy⁵:

- There are more than 175 million registered Twitter users today, posting over 95 million Tweets per day – a 250% increase over 2010.
- LinkedIn has grown by 100% from 2010, with over 100 million users across the globe.
- Facebook now has over 750 million users around the globe – half of which log in daily. On average, there are more than 7 billion pieces of content shared on the site weekly.

We see a growing number of companies starting to tie social profiles to their CRM systems. As this process continues to evolve, we expect to see social media becoming more of a critical component throughout the entire customer lifecycle. Systems that support the integration of social with CRM will increase in adoption over the course of the next 12 to 18 months, giving organizations the ability to seamlessly combine data from multiple systems easily and efficiently.

⁴ MarketingSherpa Benchmark Report: 2011 Social Media Marketing - <http://www.sherpastore.com/SocialMarketingBMR.html>

⁵ <http://econsultancy.com/us/reports/global-social-media-statistics>

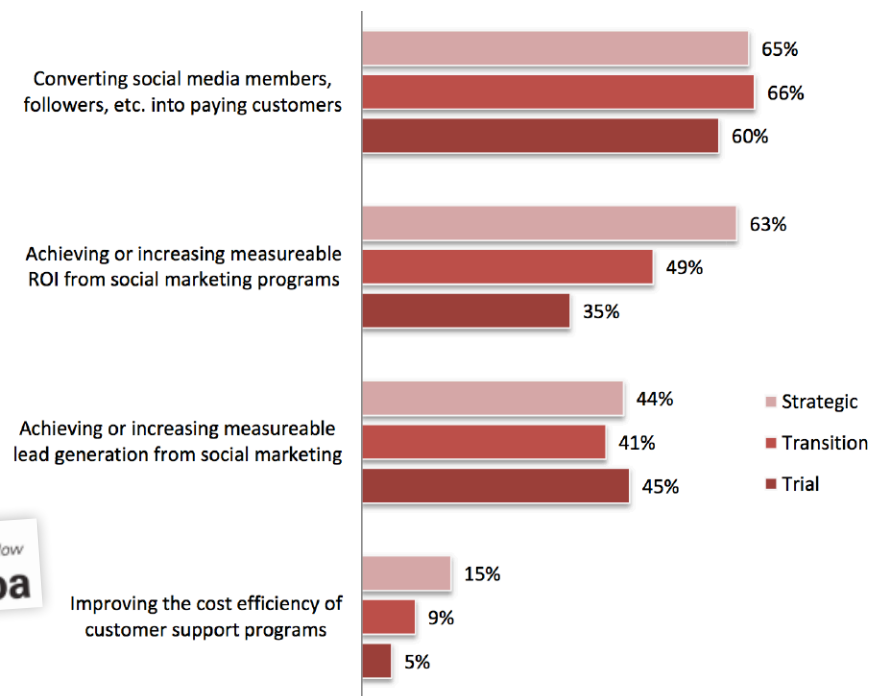
The Social Funnel allows the nurturing of social interactions so that “social leads” can move from the Social Funnel into the traditional marketing and sales funnel.

Another important reason for the emergence of the Social Funnel as a marketing tactic is the variable length of time users spend and their unique path through the Social Funnel continuum. The breadth of different types of users and the interactive and personalized nature of social media means that each person’s path through and endpoint within the Social Funnel is unique. This path helps to paint a picture of a user’s interest, intent, preference, and behavior. A company’s ability to capture these unique paths and respond effectively based on activity within the social web will become the new frontier of successful marketing.

The Social Funnel drives the following key business benefits:

- **It allows the nurturing of social interactions so that “social leads” can move from the Social Funnel into the traditional marketing and sales funnel.** The Social Funnel holds the greatest potential for filtering prospect interest and demand before such interest translates into increased sales. According to a recent MarketingSherpa *Benchmark Report: 2011 Social Media Marketing*⁵, this year, along with measurable lead generation from social marketing, CMOs are clearly prioritizing converting social media followers into paying customers.

CMO Priorities focused on Driving ROK, by social marketing maturity phase





Source: MarketingSherpa Benchmark Report: 2011 Social Media Marketing


- **The Social Funnel helps to drive “top-of-mind” awareness in the brand category:** The Social Funnel is important for brands to achieve top-of-mind awareness in the minds of buyers before they enter into the buying process or make a purchase decision. In *Winning the Consumer Decision Journey*⁷, McKinsey’s David Court writes, “Brand awareness matters: brands in the initial-consideration set can be up to three times more likely to be purchased eventually than brands that aren’t in it.” The Social Funnel allows brands to monitor and engage in conversations with users based on specific behaviors. This engagement allows brands to facilitate conversations that keep them top-of-mind with potential buyers.
- **The Social Funnel offers a scalable way to manage and respond to social brand conversations of all types:** The Social Funnel allows brands to attain deeper understanding of customer needs and brand perceptions, drive creation of community-valued content, and model the customer decision process more closely.





Social Funnel Terms

 **Social Funnel** A collection of social profile data to support the systematic process of identifying and capturing consumer interactions and behaviors across a variety of social media channels over time, aggregating this activity in a social customer relationship management (SCRM) infrastructure, and continually mining this insight to deliver relevant content to the right social profile at the right time.

 **Social Profile** The aggregated interests, comments, and overall behaviors of a fan, follower, or RSS subscriber to a branded social network platform such as a brand’s Facebook fan page, Twitter profile, or blog.

 **Social Reach** The total number of social profiles a brand has collected across all social media platforms with brand presence.

 **Social Reach Velocity** A brand’s ability to attract new social profiles across social media platforms over time.

 **Social Customer Relationship Management** The practice of and supporting infrastructure associated with capturing social prospect and/or customer data and insights to provide prospects and customers with the right content at the right time via the appropriate social (Facebook Fan page, Twitter channel), online (Web site), or traditional marketing (e.g. call center) touch point.

⁷ http://www.mckinsey.com/client_service/marketing_and_sales/latest_thinking/cdj/winning_the_consumer_decision_journey.aspx



How to Build and Manage Your Social Funnel

There are five recommended steps to building and managing your Social Funnel for maximum success. These include:

1. **Measure and Grow Social Reach**
2. **Monitor Social Conversations**
3. **Manage Social Content**
4. **Practice SEO: The Social Glue of the Social Funnel**
5. **Measure and Analyze Social Activity**

We will look at each step in detail and offer strategies and best-in-class examples from leading companies that are using social marketing to drive value for their organizations.

“
What is
important is
how consistent
you are with
engaging in a
social media
channel. You
can't be there
one day and
gone the next”

Andrew Patterson
MLB Advanced Media

1

Measure and Grow Social Reach

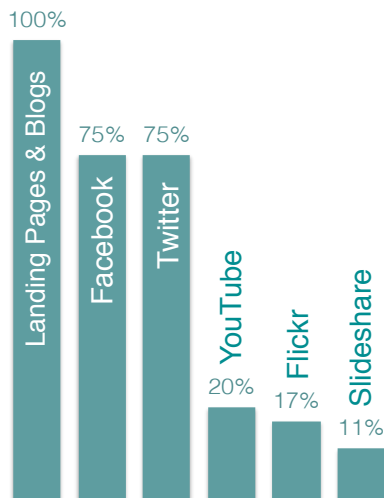
Social Reach is the total number of individuals across all social platforms you engage who actively follow (fans, followers, subscribers) your company. For example, a company with 10,000 Facebook fans, 5,000 Twitter followers and 1,000 YouTube subscribers has a total Social Reach of 16,000.

A company's Social Reach sets the stage and drives the level of benefit for all social media efforts. Most companies are engaged on multiple social channels (Facebook, Twitter, YouTube), but how many social channels are enough? There are no hard and fast rules, but the experts agree that companies should participate in as many social channels as possible -- as long as their target customers can be found there and sufficient resources can be dedicated to ensure high-quality execution in all chosen channels.

Jason Falls, principal at Social Media Explorer, explains, “Companies need to prioritize social media channels by how extensively these channels are being used by a company's target audience. Every company needs to grow their reach - this is the foundation on which to share content over time.”

Andrew Patterson, manager of new media at MLB Advanced Media, says that “the decision on number of social media channels for a company is contextual. What is important is how consistent you are with engaging in a social media channel. You can't be there one day and gone the next. If you have the resources to be consistent across

Social Platform Utilization



Source: Awareness, Inc.

multiple channels, then by all means do it. But if you spread yourself too thin, you will end up disappointing your fans and followers and jeopardizing your social marketing initiative.”

Social Platforms of Choice

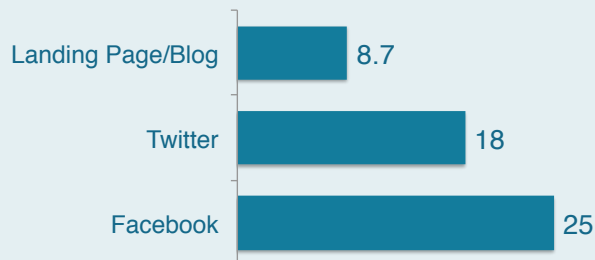
Facebook, Twitter, and the use of landing pages and company blogs are the leading platform choices for brands of all sizes utilizing the Awareness social media management platform, with a growing number of companies reporting planned integration of YouTube, SlideShare, Flickr and Foursquare in 2011.

We also analyzed social platform utilization among the best-in-class companies⁸. These best-in-class companies use three to four social media platforms (e.g. Facebook, Twitter) vs. the average company, which is using less than two social media platforms. Best-in-class companies also have multiple channels within each social media platform as shown in the next two graphs.

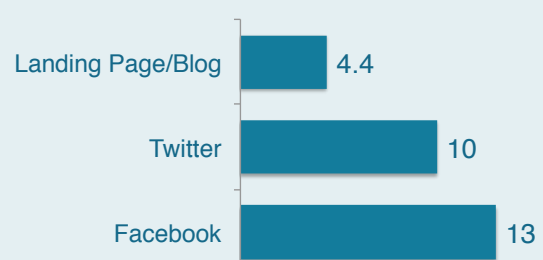
Average Number of Channels per Social Platform for Best-in-Class Companies

We examined top performing companies using the Awareness social media management platform – we looked at both top performers in terms of highest Social Reach and those that engage their followers most. The analysis shows that companies have at least 13 Facebook Fan pages and 10+ Twitter accounts, allowing them to better target the needs of niche communities.

Average Number of Channels for Companies with Largest Reach



Average Number of Channels for Companies with Highest Content Engagement



Source: Awareness, Inc.

Measuring Social Reach

To measure your company’s Social Reach, you need to measure the number of total social profiles you have accumulated across all of your social media platforms.

⁸ Top 10 performing companies in terms of content engagement employing the Awareness social media management platform

Social Reach

Total Number of
Fans, Followers and
Subscribers across all
Social Media Platforms

Social Reach Velocity

Social Reach Growth
month-over-month

Use that initial Social Reach to measure your Social Reach Velocity—your Social Reach Velocity is your ability to grow your Social Reach with social marketing over time.

Calculating Social Reach and Velocity Example

In March, Company A has 5,000 Facebook Fans, 2,500 Twitter followers, 380 blog RSS subscribers, 250 YouTube channel subscribers, or a Social Reach of 8,130 profiles. By June, Company A has managed to grow its Social Reach to 10,730, a 32% increase or Social Reach Velocity. Social Reach Velocity was impacted by significant growth in Facebook fans and blog RSS subscribers, while Twitter followers and YouTube subscribers remained flat. To grow Social Reach and Velocity, Company A can focus on Facebook, (with the greatest reach return), while testing different approaches to engage and grow their following in the other three social media platforms – Twitter, blog, and YouTube.

	March	April	May	June	Platform Reach Velocity (4 months)
Facebook	5,000	5,500	5,800	7,000	40%
Twitter	2,500	2,700	2,900	2,900	16%
Blog	380	460	520	580	53%
YouTube	250	250	250	250	0%
Social Reach	8130	8910	9470	10,730	
Social Reach Velocity		9.6%	6.3%	13.3%	32%



2

Monitoring Social Conversations

Monitoring social conversations involves knowing what people are saying about your product and brand, both good (people have positive things to say) and bad (people have negative comments). If you don't know what's being said, you won't be able to respond adequately.

As part of a 2010 Awareness survey of 300+ brands engaged in social media, we asked how companies use social networks. They responded with the following:

- 78% - Identify and respond to customer service issues
- 64% - Identify individuals looking for my product or service
- 38% - Identify individuals who influence sales of my product/service
- 17% - Identify behaviors associated with people who are likely to buy our product or service

Monitoring Social Media Conversations

Brand	Pella Windows
Products	Casement, Awnings, Double-hung, Bay Windows, Vinyl Windows, Wood Windows
Product Domain	Windows, Window Replacement, Home Improvement, Home Additions
Industry	Home Improvement, Home Construction, Home Remodeling
Associated Problems	Broken windows, drafts, high energy bills, more home space, expanding family
Competitors	Andersen, NewPro
Associated Buying	Doors, Insulation, Weather Stripping
Retail/Distribution	Home Depot, Lowes

When asked if they have a formal tracking process in place to manage these processes and better understand success criteria, only 18% of companies said 'yes.' Of the 82% that said 'no,' 78% indicated they are looking to implement new processes and tools to track social

conversations better in 2011. Monitoring social conversations is the enabler for companies to both adequately classify social profiles and provide relevant content to consumers, which in turns drives higher social profile engagement – the key to growing your Social Reach and realizing social media ROI.

Social media monitoring is about gaining insight from the conversational web that informs your business decisions every step of the way. Monitoring social conversations is the process of identifying both social conversations and strategic keywords and continuously adjusting your listening to accurately reflect your category and understand customers' pain or passion points. Let's look at a specific example of how one brand, Pella Windows, can take advantage of social media monitoring by using strategic keywords throughout the social web.

Social Reach Example

To arrive at a set of strategic keywords, Pella Windows needs to understand the keywords associated with its product or service domain, industry classifications and associated customer pain points. Once these keywords are identified, Pella Windows would need to:

- Monitor keyword mentions across social media platforms – Facebook, Twitter, blogs, forums, as well as search engines;
- Analyze keyword popularity and relevance and select the keywords that best tie to the company's social marketing goals.
- Allocate social media resources to drive desired outcomes:
 - If driving higher brand awareness within the home improvement category, Pella would put more resources toward monitoring "home improvement" mentions.
 - When focussing on sales, Pella would monitor window insulation and its derivative keywords (e.g. window insulation film, plastic window insulation, broken window) and address relevant posts via the appropriate channel. Pella could use Facebook to respond as show in the example to the right.



3

Manage Social Content

Social Content is a broad category, which includes original content such as blog posts, video, Facebook wall posts, Facebook events, Twitter posts, specials, as well as responses to conversations happening in social media (such as responding to Facebook posts in real time as in the Pella Windows example in the previous section).

Social content is the powerful catalyst for engaging your social profiles in the Social Funnel – nurturing them from social leads to becoming traditional leads, keeping your brand top-of-mind, and adequately addressing specific mentions (positive or negative) about your brands and products.

The quality of your content determines your social profile engagement

“Content that works (in social) is not formulaic – it is a balance between promotions and ‘equity posts’. The content creation rule of thumb we use is 2:1 in favor of equity posts.”

-David Berkowitz, 360i

and your ability to grow your Social Reach over time. The golden rule of effective content is: content should be focused on the needs of your prospects and customers - not you, your company or your product.

Content comes in different flavors depending on your goals, industry, size, and the social platform you engage in. While content differs by target, typically B2B companies need to focus on industry-specific educational content that helps drive better understanding of the issues and challenges particular to that industry. B2C companies need to tie more closely with their customers’ lifestyles while balancing specials offers.

Content is king across social channels; however, David Berkowitz, senior director of Emerging Media and Innovation for digital marketing agency 360i, warns that “content that works (in social) is not formulaic – it is a balance between promotions, such as coupons, specials, and new product announcements and ‘equity posts,’ which are based on the needs of the buyer. The content creation rule of thumb we use: 2:1 in favor of equity posts.”

Christine Major, corporate communications manager at Demandware, talks about how Demandware uses content as part of its marketing mix, “We can see what’s working and what’s not. When we publish educational blog posts around hot topics, such as how to build a storefront within your Facebook fan page, we get significantly more

Prospect Engagement Via Content Creation

B2B



B2C



Types of Content

- Educational
- Industry-specific

Types of Content

- “Transactional”
- Community/ lifestyle oriented
- Offers, specials, exclusives

“

To understand how to produce valuable content, talk to 20 or 30 of your best customers. Understand what they need and how your organization is meeting their needs today, then focus your content strategy around what's important to your buyers, not you. Develop a center of excellence.”

Jason Falls, Principal
Social Media Explorer



views and comments than traditional product-focused blog posts. Content that offers our collective expertise at Demandware and helps our prospects and clients with their top questions or challenges is the way we build trust and lasting connections. Ultimately we want our blog to become a destination for our industry.”

Content development is an iterative process, which needs to be informed by a key set of metrics so it can be optimized over time. Measuring what content works within a social platform over time and against industry best practices allows companies to build expertise around content creation and engagement. This knowledge empowers companies to prioritize social marketing resources for an optimal return on the social media investment.

Social Content Metrics

There are four suggested measures of content effectiveness that can help companies hone in on their content strategy:

- **Content-to-Contact Ratio:** this ratio gauges companies' ability to publish engaging content that helps them generate new social profiles. Our analysis of companies using the Awareness Hub shows that the average Content-to-Contact ratio is 4:1. This means that for every four new pieces of content published through social media (e.g. tweets, Facebook posts, blog posts) a new social profile is generated. Best-in-class companies operate closer to a 1:1 ratio while companies who are just getting started with social trend at 7:1. This data suggest that companies who are starting out with social marketing can expect that their content won't have sales gravity initially, but over time they can optimize content so that every piece of published content can generate at least one social profile. Although content is not the only driver of social profile creation, the Content-to-Contact ratio allows companies to measure the lead generation effectiveness of their content and helps focus content efforts for an increased return on sales.
- **Comments-to-Content Ratio** This measure allows companies to understand the effectiveness of specific content campaigns. For example, monitoring likes and comments on Facebook posts provides companies with a concrete gauge on a campaign's ability to drive social profile engagement. The more comments to a piece of content, the higher the engagement. Jonas Nielsen, co-founder and managing partner of Mindjumpers, advises brands to “monitor activity and engagement rates – views and interactions such as posts, comments and likes over time. To affect activity and engagement rates, continuously try new things, establish best practices and piggyback on peers who are doing a great job.”

“

We put more value on blog post comments than retweets. When people take the time to comment, it tells us that they are very engaged.”



Christine Major
Communications Manager,
Demandware

“

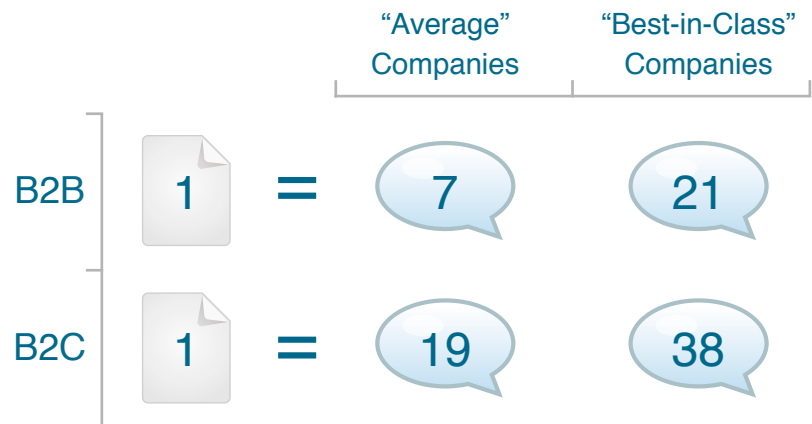
If your content is good, you will see that after a person consumes it, he or she is willing to share it and make it spread.”



Jeremiah Owyang
Industry Analyst,
Altimeter Group

It is not surprising that best-in-class companies⁹ lead in comments-to-content ratio over companies that are still dabbling with social media marketing. Best in class B2C brands are leading social profile engagement, driving close to 40 comments per content on average, followed by best-in-class B2B brands with an impressive 20+ comments per piece of content as shown in the chart below:

Average Comments-to-Content Ratios⁹

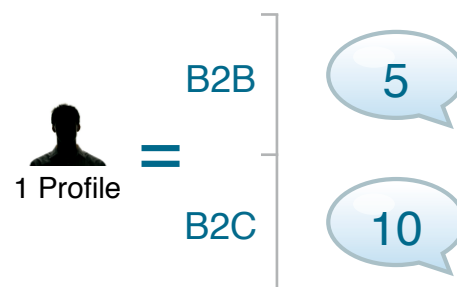


Content that generates comments

Source: Awareness, Inc.

- **Comments-to-Profile Ratio** This ratio measures a company’s ability to connect with its social profiles over time. The more comments from existing profiles, the higher the likelihood that the brand will stay top-of-mind and be considered when the customer is ready to buy. Christine Major, corporate communications manager at Demandware, shares that “one of the key ways we measure success is by monitoring comments, retweets, discussion, and buzz about Demandware. We put more value on blog post comments than retweets. When people take the time to comment, it tells us that they are very engaged.”

Average Comments-to-Profile Ratio for Best-in-Class Companies



Source: Awareness, Inc.

¹⁰ Best-in-class companies defined as the top 20 comments-to-profile ratio performers using the Awareness, Inc. social media management platform.

Andrew Patterson, manager of new media at MLB Advanced Media, comments, “Engagement for MLB is about connecting and talking to fans – our social media presence is about providing a forum where people can converse and get information. By knowing what fans like, we can personalize our content.”

Not surprisingly, when analyzing this ratio for best-in-class companies¹⁰, we found that B2C companies get close to 10 comments per profile, while leading B2B brands command over 5 comments per profile.

Average Comments-to-Profile Comparison: Best-in-Class to Aggregate Companies



Source: Awareness, Inc.

Compared to the average brand performance in social media, best-in-class brands clearly show higher engagement with 7+ comments per profile vs. the average of all other companies with just over 1 comment per profile.

- **Content-to-Share Ratio** This ratio gauges your content’s ability to travel beyond your Social Reach. The higher the engagement, the greater the probability that your content will be shared within your profiles’ social graph, driving new social prospects for your brand and products. Jeremiah Owyang, industry analyst with Altimeter Group, advises, “Content that people are willing to register for is content that helps them make better decisions. If your content is good, you will see that after a person consumes it, he or she is willing to share it and make it spread.”



4

Practice SEO: The Social Glue of the Social Funnel

Search is the second most popular activity online after email. As of April 2010, Americans have conducted over 15.5 billion searches across all major search engines, according to comScore. Search engine optimization, the process of creating Web site content geared to elevate the site in search engine results, is among the top areas of social marketing investment for companies of all sizes. A Social

“

Smart companies understand what their potential customers are searching on.”

David Meerman Scott
Marketing Strategist



Although small businesses tend to favor landing page/blog use, medium and large businesses tend to have a deeper mix of social media platforms, among which landing pages and blogs are still a core component.

Media Examiner 2011¹¹ report highlights increased traffic (72%) and improved search rankings (62%) among the top benefits of social media marketing.

Effective search engine optimization involves tying strategic keywords

How Do You Rank?

According to David Meerman Scott, marketing strategist and author of *The New Rules of Marketing and PR*¹², “the most important measure of social media success is how well a company ranks in search engine results. Smart companies understand what their potential customers are searching on. They then create targeted social media content optimized for the right keywords -- whether that is a YouTube video or an insightful blog post. Search engine ranks are a terrific form of measurement that many companies still fail to focus on for their social media efforts.”

and social conversations to specific Web site pages, and increasingly to targeted landing pages or corporate blogs. These targeted landing pages and blogs can be used to drive both organic traffic from search engine results, as well as traffic from social media channels, offering a natural continuation to the dialogue started in the Social Funnel.

Landing pages and blogs become the social glue that ties the Social Funnel to the traditional marketing and sales funnel, helping companies realize lead generation and sales return on the social marketing investment. Paul Gillin, the author of *Secrets of Social Media Marketing and The New Influencers*¹³, advises that, “for B2B companies, the most effective way to drive lead generation is through search optimization

Landing Page Benefits

- Landing pages and blogs offer more content control for complete and flexible messaging, media, and design than social media platforms such as Facebook and Twitter, which have limited messaging and commenting opportunities;
- Landing pages are aligned to keywords that clearly match the specific interests of prospects and customers; and
- Landing pages and blogs also allow for custom messaging and calls-to-action related to social sharing, “liking,” commenting, and other ways of fueling word-of-mouth.

¹¹ <http://www.socialmediaexaminer.com/social-media-marketing-industry-report-2011>

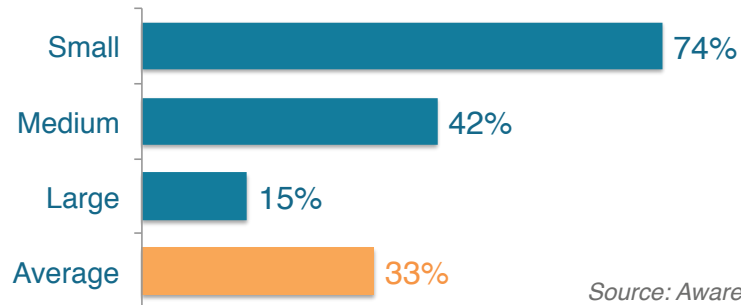
¹² http://www.amazon.com/New-Rules-Marketing-PR-Releases/dp/0470547812/ref=sr_1_1?ie=UTF8&qid=1307719966&sr=8-1

¹³ <http://gillin.com/NewInfluencers/>

because of the long tail effect. Many B2B companies offer specialized services for which there is a limited domain of keywords people use.”

Landing pages and the use of blogs are indeed a popular engagement platform for businesses of all sizes and across all industries. Although small businesses tend to favor landing page/blog use, as indicated by over 70% utilizing these channels today, medium and large businesses tend to have a deeper mix of social media platforms, among which

Landing Page/Blog Utilization by Company Size

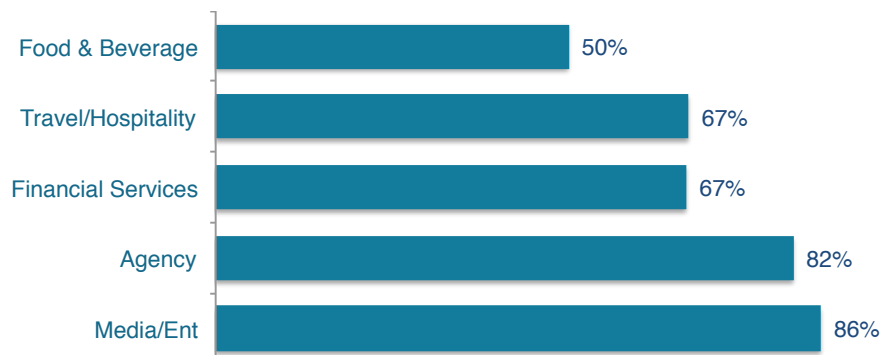


Source: Awareness, Inc.

landing pages and blogs are still a core component, as shown in the chart below:

Landing pages and blogs are among the core social platforms used by companies across all industries. All companies in the Automotive, Business Services, CPG, Education, Non-profit, Retail, Services, Transportation, and Telecom industries employ landing pages and blogs as part of their social platform mix, followed by Media and Entertainment, companies represented by Agencies, Financial Services, Travel and Hospitality, and Food & Beverage brands who use blogs and landing pages at least 50% of the time.

Landing Page/ Blog Utilization by Industry

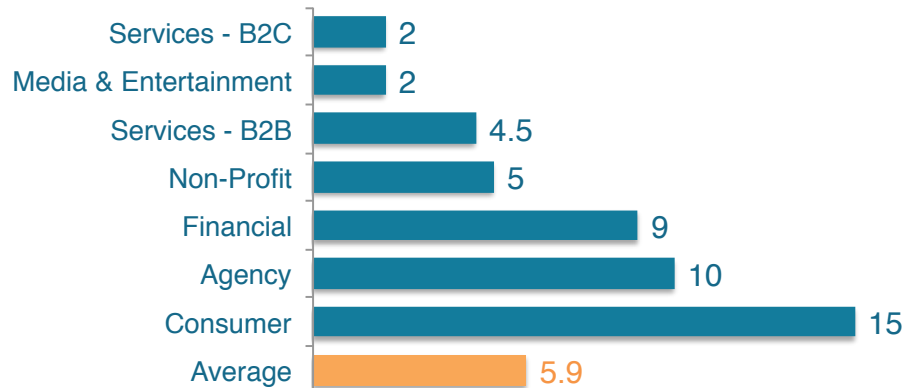


Note: Transportation, Telco, Software, Service, Retail, Non-profit, Education, CPG, Business Services and Automotive industries all report 100% utilization.

Source: Awareness, Inc.

Landing pages and blogs also tend to drive higher social profile engagement, which in turn leads to higher social profile conversions from the Social Funnel into the traditional marketing and sales funnel, as showcased by the following chart:

Engagement: Landing Page/Blog
Comments-to-Profile Ratio by Industry



Source: Awareness, Inc.

In addition to engagement, landing page popularity is driven by this channel's ability to popularize content within search engines. Success in this case can be measured by the number of inbound links generated to them – links from other reputable Web sites to your landing pages that help drive both qualified traffic and increase your online credibility. Christine Major, corporate communications manager at Demandware, concurs, "One of the key ways we measure success at Demandware is the number of inbound links to our Web site. Growth in inbound links means we are creating relevant and useful content of interest to our industry."

5

Measure and Analyze Social Success

As with any marketing activity, social marketing measurement is contextual and is tied to the specific goals for your organization. There are different types of metrics associated with your industry, stage of social media maturity, and role within the organization. Social marketing can be effective in generating both long-term value as well as short-term measurable success:

Long-term value:

- Fostering and accelerating word-of-mouth – which helps with brand awareness and preference over time;
- Building and fostering relationships – which fuels brand advocacy over time;

The major thrust of social marketing should be around filtering relevant social profiles and moving them from the Social Funnel into the traditional sales and marketing funnel.

Short-term measurable success:

- Servicing customers – which can lead to lower customer service costs over time.
- Lead generation and sales -- helping brands increase sales and improve sales effectiveness over time. For those companies focused on sales effectiveness, the major thrust of social marketing should be around filtering relevant social profiles and moving them from the Social Funnel into the traditional sales and marketing funnel with the end goal of acquiring new customers.

Keeping this value framework in mind, and integrating the advice and best practices from the best-in-class companies included in this report, we propose the following social marketing measurement structure to gauge the return on social marketing efforts.

1. Tie social marketing measurement to company goals and expected benefits:

Goal: Nurture “social leads” from the Social Funnel into the traditional marketing and sales funnel

Proposed Measurement

- **Social Reach-to-Traditional Lead Ratio:** This ratio measures your ability to move social profiles into your traditional marketing funnel over time.
- **Social Profile-to-Sales Ratio:** This indicator helps you track the number of social profiles turned into customers over time. Measure this ratio in the aggregate, as well as by social media platform. This analysis will help you identify the efforts on social media platforms that generate the most return on investment.

Measuring Social Media Effectiveness

As Nathaniel Perez, SapientNitro, suggests: “Measuring social media effectiveness is important but we shouldn’t lose sight of the fact that social media is context-based and its effectiveness lies within how we leverage its insight. For example, for brands that don’t have direct points of distribution (e.g. airlines, sneaker manufacturers), social can be the way listen to customers and address their demands and issues in real-time, driving up brand and product value. There are infinite ways to measure value, each one uniquely aligned to a business and brand context. But any approach should test for useful things, comparison and transaction. Establish comparisons to equivalent media value, use surveys to test levels of comfort with your brand among fans and non-fans, online and offline. Test transactions via social, using initiatives such as sampling and coupons, where ROI can be measured directly.”



“Measure social media via its contribution to customer loyalty. Our social engagement reports at Starwood Hotels focuses on the quality of our fans as well as fan attrition”

Justin Holmerud
Marketing Manager,
Starwood Hotels



Goal: Achieve “top-of-mind” awareness in the brand category

Proposed Measurement

- Besides Social Reach and Social Reach Velocity, defined earlier in this eBook (refer to Section: Measure and Grow Your Social Reach), measure your **Share of Social Conversations**. Similar to traditional Share of Voice, Share of Social Conversations measures your brand’s ability to dominate social conversations. To measure your Share of Social Conversations, monitor your brand mentions vis-à-vis all relevant conversations for a given period of time.

To determine all brand-relevant conversations, determine the set of keywords that best describe your area of social marketing focus:

Share of Social Conversations= Social Brand Mentions/ All Relevant Conversations

You can also assign monetary value to your Share of Social Conversations. To do that, use equivalent media value, measured as the cost of advertising in the platforms.

Goal: Manage and respond to social brand conversations

Proposed Measurement

- **Brand Reputation:** Comment sentiment is an important indicator of your brand’s reputation in the social sphere (and, we can argue, also in the traditional world as social platforms increasingly serve as an echo chamber for your traditional marketing efforts). Monitor brand sentiment by social profile type – customer, prospect, influencer, and its changes over time. Increases in negative brand sentiment are a clear sign your brand needs attention. Your ability to identify both positive and negative sentiment and respond to it adequately in real time will increasingly become a competitive asset.
- **Social Profile Churn:** Although most of your social marketing efforts are better spent on driving higher social profile engagement and Social Reach, watch your Social Profile Churn rate – the rate at which you lose social profiles over time across your social media platforms. If your Social Profile Churn Rate is increasing, it is a warning sign. You may be over-promotional, too focused on your products vs. the needs of your customers, or failing to adapt to changing audience needs.
- **Customer satisfaction, retention and loyalty, reduced customer service costs:** Ultimately your social responsiveness to the social profiles that matter to you – customers, prospects, influencers, and media – needs to have an impact on your customer loyalty. We trust that all brands need to follow Justin Holmerud’s advice:

“

There are three different groups that need social media metrics: executives, business stakeholders, and those deploying and managing social media... Don't give engagement data to executives, as it doesn't measure the actual effect on business goals.”

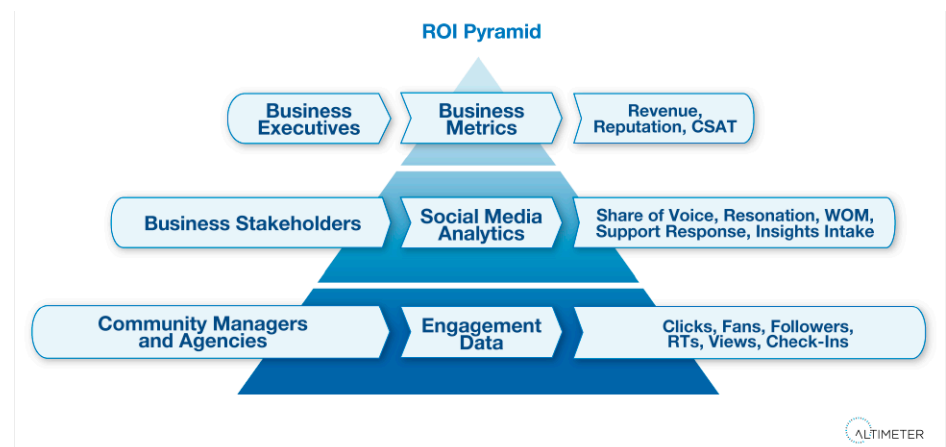
Jeremiah Owyang
Altimeter Group



“Measure social media via its contribution to customer loyalty. Our social engagement reports at Starwood Hotels focuses on the quality of our fans as well as fan attrition”.

2. Focus on metrics that matter by stakeholder role

No matter what outcomes drive your social media marketing and investment, remember that social media marketing is not the same to all stakeholders. Jeremiah Owyang of Altimeter Group frames it best, “There are three different groups that need social media metrics: executives, business stakeholders, and those deploying and managing social media. At the top of the pyramid there's less data, less frequently, but at the bottom, there's real-time data and lots of it. Don't give engagement data to executives, as it doesn't measure the actual effect on business goals.” For special metrics by specific stakeholder group, refer to the Altimeter Group's ROI Pyramid below:



Tie your Social Funnel with your existing CRM infrastructure and practice sales modeling: We recommend that you follow the same process with social marketing initiatives as you do with your traditional marketing efforts. Much like you integrate email, direct mail, and webinar sign-ups, to your CRM, think about social marketing as an integral component of lead generation and customer service strategy. Only then can you see and be able to measure the full impact of social marketing. As Jonas Nielsen advises, “to tie social marketing to ROI, companies need to put their social media investment into their sales modeling. A sophisticated sales modeling approach will allow the company to gain insights over time.”

“

The shift in consumer decision making [to online and social platforms] means that marketers need to adjust their spending and to view the change not as a loss of power over consumers but as an opportunity to be in the right place at the right time, giving them the information and support they need to make the right decisions”

David Court
McKinsey & Company



Conclusion

There is no doubt that social platforms such as Facebook and Twitter have changed the way businesses interact with their constituents. Increasingly, customers choose to reach out to brands over social platforms, and they opt for social means when they need help. Given this social shift, companies of all sizes need to invest in creating a Social Funnel above the traditional marketing and sales funnel – monitoring social conversations, classifying social profiles, and addressing conversations where and when they happen. The Social Funnel offers a scalable framework for prioritizing social marketing efforts that drive quality and efficiency for the company over time. The Social Funnel is also a strategic benefit for companies vis-à-vis their competitors – because the Social Funnel equips them with the knowledge they need to operate and adapt to the new customer-driven reality. To realize the full benefits of the Social Funnel, we expect to see more companies integrating their social profile insights with existing insights about customers and prospects. This integration will increasingly become a source of competitive differentiation, informing all aspects of the business – marketing, customer service, product development, and innovation.

If you have not done so yet, start building your Social Funnel today. Then follow the steps outlined in this eBook. Create and grow, listen and monitor, publish, measure, and analyze. Then optimize this cycle, and keep reiterating as shown in the visual below:



Social marketing is not about quick hits. Eric Qualman expresses that sentiment unequivocally, “The best companies understand social

touches every aspect of their business. Start with answering why you want to run social programs and what success looks like. Remember: only a portion of your social efforts can be tracked directly down to sales. Most of social is relationship-based – it is a longer-term investment in your brand. Focus on your existing customers – they will spread the word for you. Word of Mouth has gone World of Mouth.”

Andrew Patterson agrees, “The idea to do social just to do social is like running a marathon without training for it. You have to understand what you want to do, why and how you want to engage your fans. There is no shortage of social media channels: Facebook, Twitter, Foursquare, Scvngr. It’s your business decision how you want to proceed. Measure engagement -- likes, clicks, comments -- then study what content works. The more you can engage, the more top-of-mind you are. The more top-of-mind, the more lasting and deeper your interactions with your customers – for brand support and for sales.”

Remember, your Social Funnel is a strategic business investment – treat it with the same rigor, dedication, and governance you treat your other strategic investments.

Appendix A: Biographies of Experts

David Meerman Scott

(@dmscott) is a marketing strategist, seminar leader and keynote speaker. His book, "The New Rules of Marketing and PR: How to Use Social Media, Blogs, News Releases, Online Video, and Viral Marketing to Reach Buyers Directly," opened people's eyes to the new realities of marketing and public relations on the Internet. Read his blog at <http://www.webinknow.com>.

Jeremiah Owyang

(@jowyang) is an industry analyst with Altimeter Group, where he focuses on social business and disruptive technologies for customer strategies. He previously was a senior analyst at Forrester Research, and before that was director of corporate media strategy at PodTech Network and manager of global Web marketing at Hitachi Data Systems. He writes the Web Strategy blog and is a columnist at Forbes CMO Network.

Erik Qualman

(@equalman) Called a Digital Dale Carnegie, Erik Qualman is the author of Socialnomics: How social media transforms the way we live and do business. Socialnomics made Amazon's #1 Best Selling List for the US, Japan, UK, Canada, Portugal, Italy, China, Korea and Germany. Socialnomics was a finalist for the "2010 Book of the Year" awarded by the American Marketing Association. Qualman produced "Social Media Revolution" which is the most watched social media video in the world.

Jason Falls

(@jasonfalls) is one of the most in-demand speakers in social media, public relations and marketing. He often presents workshops on social media marketing for groups such as the American Marketing Association, the Public Relations Society of America and the International Association of Business Communicators. Connect on his Social Media Explorer Fan page.

Nathaniel Perez

(@perezable) is Global Head of Social Experience at SapientNitro. Part of a world-class group of digital strategists, Perez works on advanced social marketing approaches, platforms and offerings. He is a digital veteran with more than 15 years of agency experience, having worked for leaders such as Razorfish and IBM Global Services.

David Berkowitz

(@dberkowitz) is senior director of emerging media and innovation for digital marketing agency 360i, where he develops social media and mobile programs for marketers spanning the media and entertainment, retail, travel, and consumer packaged goods industries. A frequent speaker and media pundit, his work has been published hundreds of times in MediaPost, Ad Age, eMarketer, and elsewhere. Berkowitz was director of marketing at Viewpoint and at icrossing, and served as director of media relations/editor at eMarketer. He writes the Marketers Studio blog and can be found on both LinkedIn and Facebook.

Paul Gillin

(@pgillin) is a veteran technology journalist who has worked almost exclusively online since 1999. He has published three books about social media marketing since 2007. He advises marketers and business executives on strategies to optimize use of social media and online channels to reach buyers cost-effectively. Paul was the founding editor-in-chief of [TechTarget](#) and editor-in-chief of the newsweekly Computerworld. He writes a regular column for BtoB magazine and contributes to various blogs and online publications. Connect on [LinkedIn](#) and [read his blog](#).

Mike Lewis

(@bostonmike) is vice president of marketing and sales at Awareness, Inc. He is an entrepreneur & marketer that helps B2B technology companies realize the benefits of social media as a marketing vehicle to improve awareness and generate demand.

Appendix B: Featured Awareness Clients

Christine Major

(@CMajor) is the corporate communications manager for Demandware. She founded and manages NHTweetUp, which coordinates offline networking events to strengthen online connections. Her blog, [Serial Networking](#), focus on connecting the online and offline worlds.

Jonas Klit Nielsen

(@klit_nielsen) is founder and managing partner of [Mindjumpers](#), a full-service social media agency that helps companies navigate social media. He has been working with sales, marketing and media in Denmark for the past 10 years. At Mindjumpers, his focus is primarily on developing digital and social media strategies for clients, such as the Carlsberg Group.

Justin Holmerud

(@Starwoodbuzz) is the social and mobile marketing manager at Starwood Hotels and Resorts Worldwide Inc. He has worked with Starwood Hotels & Resorts since 2007.

Demandware

[Demandware](#) is a leading on-demand e-commerce solutions provider. The company is currently integrating Facebook, Twitter and Slideshare within the Awareness social management platform and will add soon add YouTube, Flickr and the Demandware corporate blog to its Awareness Hub.

The Carlsberg Group

The Carlsberg Group (represented in the eBook by Mindjumpers) is a Danish brewing company founded in 1847. Headquartered in Copenhagen, Carlsberg is the fourth largest brewery group in the world, employing around 45,000 people. The company currently integrates various Facebook and Twitter channels within the Awareness social management platform, enabling management of both local market and global market communication to single Facebook pages through the platform.

Starwood Hotels and Resorts Worldwide Inc.

Starwood Hotels and Resorts Worldwide Inc. is one of the world's largest hotel and leisure companies, including brands such as St. Regis®, The Luxury Collection®, W®, Westin®, Le Méridien®, Sheraton®, Four Points® and Aloft®. The company currently integrates multiple channels across Facebook and Twitter within the Awareness' social management platform.

Andrew Patterson

is the manager of new media at MLB Advanced Media, a subsidiary of Major League Baseball that operates as an interactive media and Internet company. Patterson has had many years of experience in online marketing and media, including as a senior analyst at Digitas and as a sales executive at adMarketplace.

Major League Baseball (MLB)

MLB is composed of 30 professional baseball teams — 29 in the United States and one in Canada. With the International Baseball Federation, MLB also manages the World Baseball Classic. MLB company currently integrates more than 30 Facebook channels and more than 50 Twitter channels managed with the Awareness Hub.

Appendix C: Additional Resources



Social Marketing eBooks from Awareness, Inc.

- [The Social Marketing Management Checklist](#)
- [YouTube Marketing Best Practices](#)
- [4 Steps to Developing a Successful Social Media Program](#)
- [Selling Social Media to Executives: How to Pitch the Benefits and Get Buy-In](#)

Other Social Marketing Resources and References

- Altimeter Group
 - [How Corporations Should Prioritize Social Business Budgets](#)
 - [Social Marketing Analytics](#)
- [Michael Seltzer: 2011 Social Media Marketing Industry Report: How Marketers Are Using Social Media to Grow Their Businesses](#)
- [Jim Sterne: Social Media Metrics: How to Measure and Optimize Your Marketing Investment](#)
- [David Berkowitz On Social Media Measurement](#)
- [Econsultancy.com Blog](#)
- [Katie Paine on Establishing ROI](#)

Appendix D: About Awareness, Inc.

Awareness is the leading provider of enterprise-class, on-demand social marketing management software (SMMS) for marketers to publish and manage social content, engage with their audience and measure the effectiveness their social media activities across multiple social media channels. The Awareness Social Marketing Hub is built upon Awareness' expertise with some of the world's leading brands and marketing agencies including MLB, Sony Pictures, Comcast, Likeable Media, Associated Press, Cox Communications, Mindjumpers and American Cancer Society.

The Awareness Social Marketing Hub is built to address the challenges marketers face managing multiple social channels. The Social Marketing Hub is the first enterprise-class application for serious marketers who want to plan, implement and measure meaningful social media strategies across the organization.

Connect with Awareness

- [Twitter: Follow us on Twitter](#)
- Facebook: [Please "Like" our Awareness, Inc., Social Media Marketing Best Practices](#) and [Social Media Marketing Mavens](#) pages
- LinkedIn: Join our [Social Media Marketing Mavens](#) Group
- [Awareness Blog](#)