

# The Impact and Influence of Social Media: Why brands need to become better at generating conversations

July 2011

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# THE INSIDER - INTRODUCTION

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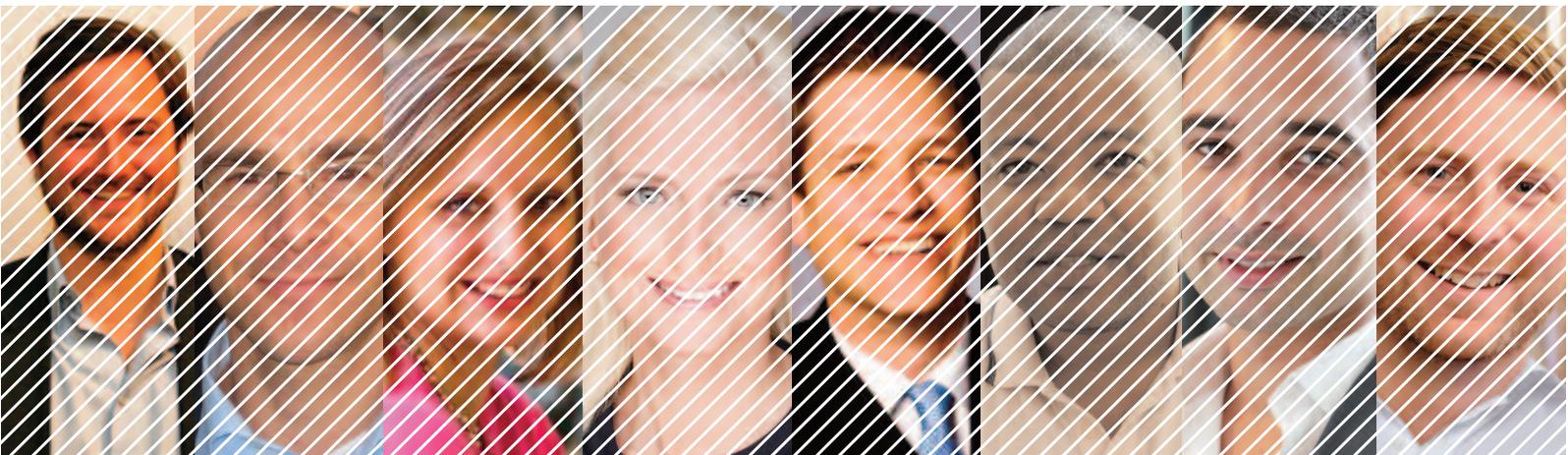
The Insider is MediaCom's external communications programme designed to address the issues that matter for marketers. It is comprised of several elements including a newsletter, Blink – a magazine that covers trends and influences, a webcast housed at [www.mediacom.com](http://www.mediacom.com) and a follow-up white paper.

This quarter, our focus turned to social media and the impact and influence that it has had on marketing strategies. In our introductory newsletter, MediaCom's insight leaders explained how social can provide value for advertisers and demystified the opportunities that it presents.

Expanding on these themes in The Insider webcast, Carolyn Everson, Vice President, Global Marketing Solutions at Facebook, joined us to discuss her company's continuing growth and development and explain how they can help advertisers. Carolyn was joined by Sara Devine, Manager of Digital Integration Marketing for Volkswagen Group of America, who explained how her company has already enjoyed social media success.

Offering a media agency perspective, Sloan Broderick, Director of Innovation, MediaCom Interaction USA, was on hand to share advice and explain how the correct social media strategy can provide ROI. The session was moderated by leading business strategist and Chairman and CEO of MediaLink LLC, Michael Kassan.

Summing up the main points from the whole quarter's activity, this white paper delves deeper into the issues raised and offers new insights from MediaCom's panel of experts. ■



# SUMMARY

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Social media is not something you can ignore. It's there whether you like it or not. And the conversation is happening whether or not your brand participates.

Less than 10 years ago, social networking sites were in their absolute infancy but have now grown to dominate and dictate how we communicate with friends, family and brands. With more than 750 million active users around the globe, sites such as Facebook have enabled advertisers to interact with consumers as never before. And while the reach of these sites is undoubtedly impressive, their real impact goes far beyond mere numbers. What's more important for brands is the way in which Facebook and Twitter et al. have influenced and altered consumer behaviour.

In a world where we are always online, social networking has succeeded in connecting people on a global level, providing platforms for global conversations and discussions. For marketers, this has provided an incredible opportunity to speak to brand advocates directly and encourage them to pass on their messages. With millions of users, a platform such as Facebook can help fuel word-of-mouth marketing on the grandest of scales.

Moreover, as these social media platforms continue to develop, they look set to become even more prominent in consumers' lives. Consider the repercussions of Facebook's recent deal with Skype, for instance. By allowing users to make video calls direct from their contacts list, the platform hopes to become an ever-more important part of the way we communicate and manage our lives.

So, what should you as advertisers be doing online? Ultimately, there is no simple solution to social media success: brands need to identify and assess the wants and needs of their individual consumers before they can determine how best to reach them. Identifying ROI in this field can also be tricky, but value is essentially determined by consumer engagement; if consumers are constantly talking about your brand, then your strategy is working.

## SUMMARY (CONTINUED)

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What brands need to realise is that consumers are now conditioned to expect two-way conversations and interactions – increasingly across all forms of media. Thus, social media and social marketing activities shouldn't be isolated, but rather integrated into broader marketing strategies. Brands need to get better at generating conversations; everything needs to be social.

For the uninitiated, you should start by measuring the impact of social media on your brand to work out the role it should play in your communications. Then, after developing a clear social strategy, you need to decide where your conversation will be focussed. Which platform or platforms will you use to interact with your audience? With these decisions made, you can start tailoring each individual campaign and reallocating your budget accordingly in order to ensure impact.

**In short, brands that embrace social media have a much better chance of succeeding than those that don't. In the offline world, 'antisocial' behaviour can often have a negative impact on reputation and popularity and this effect is only amplified in a social media world where the conversation never stops. ■**

# WHY SOCIAL MEDIA MATTERS

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**Social media is now part of the fabric of modern life. The statistics bear out its incredible impact in the last few years.**

Facebook has more than 750 million users globally. In some markets, such as the UK, nearly half the population has signed up. In fact, Europeans spend more time on Facebook than any other site and 60% of Facebook users also follow a brand in social media.

Other social media platforms are expanding just as fast. Twitter now carries 1 billion tweets a week and the recent women's football World Cup final broke the record for traffic on the platform with more than 7,000 tweets per second. Mobile use of the platform has increased 62% since April 2011.

Elsewhere, it's early days but Google+ promises to be another platform to watch in this area. If it can build scale then it will offer a powerful challenge to the established players.

**These platforms also reach out into the wider web. Facebook's Connect platform, which allows companies to use Facebook passwords for their own sites, attracts 10,000 new third-party sites per day. ■**

Facebook has more than 750 million users globally. In some markets, such as the UK, nearly half the population has signed up.

# WHY SOCIAL MEDIA MATTERS (CONTINUED)

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## **The international picture**

Brands that operate in more than one market need to be nuanced about which platforms they use. In the US, Canada and the majority of western markets, Facebook, YouTube and Twitter have emerged as the big players, but they don't have the same power everywhere.

Facebook is blocked in China and some other countries, and indigenous solutions, such as Mixi in Japan, also own many markets. Orkut – owned by Google – is a powerful player in India and Brazil, while China has home-grown players in all areas of social media from microblogging to video. Elsewhere, The Netherlands has local market leader Hyves and Germany has VZ-Networks.

In other areas, such as the majority of Central and South American countries, localised versions of the popular US sites prevail, although MSN properties enjoy a stronger presence in social here than in the States.

Marketers also need to acknowledge the vastly different digital life-stages of each market. South Korea and Japan are two of the world's most connected markets while Indonesia has a way to catch up at just 12% internet penetration. In markets with lower penetration, and in rural areas of many more developed markets, internet cafés are the primary access point for users.

The way consumers engage with social media also varies. In Asia-Pacific, China, Japan and South Korea are the most active creators of social content in the region. More than 50% of China's 400 million internet users blog.

**By contrast markets such as Australia and New Zealand are much more passive with lots of viewing and sharing but fewer consumers who actually create content. Understanding such dynamics is critical. ■**

Brands that operate in more than one market need to be nuanced about which platforms they use.

# WHY SOCIAL MEDIA MATTERS (CONTINUED)

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## **The mobile future**

The future of social media will be mobile. Real-time connectivity and updates work best via the device that we always carry with us: our mobiles.

In developing markets, mobile internet is growing ever faster. The thousands of islands that make up the Philippines and Indonesia, for example, make fixed infrastructure a challenge. Mobile phones, by contrast, don't face such issues and are becoming the primary device for social access.

Advances in mobile technology have obviously paved the way for an increase in social media usage. Two years ago, if you looked at mobile browsing you'd have found the vast majority of usage was quick content snacking; people simply trying to kill time. Mobile operator portals were the first port of call and texting was the best way to catch up with your friends.

Now that many consumers have smartphones that are faster than laptops, they are spending far more time on their devices – and in turn on Facebook. In fact, on average, in markets such as the UK, more time is spent with Facebook on mobile than via desktop. Of the 250 million users signed up to Facebook's mobile platform, an average of 50% check in every day and in some markets this rises to 80%. The site is second only to Google as the most popular destination on the mobile web.

To put this into some kind of perspective, in the UK, Facebook has close to 10 million monthly visitors to its mobile site – a third of the platform's audience in this market.

**Currently, there is no display advertising product for Facebook's mobile platform, however, like all others in this space, it is evolving fast. Only time will tell if Mark Zuckerberg and his team are planning to engage their huge mobile audience with targeted messages. ■**

Mobile phones are becoming the primary device for social access.

Of the 250 million users signed up to Facebook's mobile platform, an average of 50% check in every day.

# WHY SOCIAL MEDIA MATTERS (CONTINUED)

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## **Social media targeting**

The new Google+ platform illustrates the power of the data that lies behind social media. In just three weeks it has attracted an estimated 19 million global users and includes a host of innovative features.

These include: Sparks, which lets you specify the content you like, such as cars, and create a bespoke news feed; Hangouts, which enables group video chat; and Circles, a feature that lets you define different groups of friends who are generating comments.

By combining the social power of the connection with the data provided by Gmail registration, Adword targeting and knowledge of search keywords, brands can find out more about their customers than ever before.

Imagine a consumer searching for products and retailers on Google Maps and getting results that show them recommendations from their network of friends about what to buy, where to shop and, more crucially, where to avoid.

Paid for messages from recommended retailers might prove highly powerful. Imagine consumers searching for a restaurant on their mobile and the results showing redeemable vouchers that match their taste preferences, serviced by recommended outlets nearby.

Brands are already establishing themselves on Google+ - Ford has a page, for instance - but the real potential is in the power of the data fusion mentioned above. It's the opportunity for advertisers to use the power of Google's reach and targeting in a new, richer, more personal way.

**Of course, everything hinges on Google+ reaching the kind of penetration/usage its more established brethren currently enjoy. ■**

The new Google+ platform illustrates the power of the data that lies behind social media. In just three weeks it has attracted an estimated 19 million users.

## WHY SOCIAL MEDIA MATTERS (CONTINUED)

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### **Expanding connectivity**

Ultimately social media can only grow, changing the way brands communicate and the way consumers receive and respond to their messages.

Usage will expand not just via mobile but via all other devices that are digitally enabled.

The increasing number of Internet Enabled TVs now available on the high street - in Germany 22.9 million households will have IETVs by 2015 - will bring the conversation direct to even more viewers, for example.

Consumers who use Xbox or PlayStation 3 consoles have already experienced the impact that social media can add to the experience. Such consumers now expect it with all content.

**At the moment many are adding to the social media conversation by commenting via their mobiles or laptops. However, the day when the commentary goes direct into the TV is not that far away. ■**

Usage will expand not just via mobile but via all other devices that are digitally enabled.

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“Our numbers are large and growing and that is an important metric in terms of how we measure penetration in markets but it’s really about a total change in consumer behaviour. That’s really at the macro level what is happening. For the first time we have a technology platform that allows us to communicate and have a conversation as brand marketers with consumers in a way that we’ve always dreamed of and wanted to for decades. We call it Word-of-Mouth marketing at scale.”

CAROLYN EVERSON  
VP OF GLOBAL MARKETING SOLUTIONS, FACEBOOK

“Increasing internet penetration and highly active social media users means that social media now represents a viable and effective alternative to increasingly expensive TV in many Asian countries. These are markets with extremely young population profiles, consumers who have grown up with digital and are completely immersed in it.”

SEAN SEAMER  
HEAD OF INTERACTION, MEDIACOM APAC

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“The social conversation is generating a new set of web platforms beyond Twitter and Facebook. A new generation of check-in sites such as miso.com and getglue.com take the physical check-in concept developed by Foursquare to the next level and smart brands will seek to benefit. Consumers can now check in to a TV programme, a book or a magazine, presenting additional opportunities for brands that have traditionally become part of such events via sponsorship.”

DANIEL BISCHOFF  
RESEARCH DIRECTOR, MEDIACOM GERMANY

“Mobile is amplifying consumer usage of social media, due to the quick access to content it offers. Our target audiences can engage with friends and brands far more often and more easily than previously possible on the desktop web. The high usage of Facebook mobile demonstrates this phenomenon, with more time spent on Facebook via mobile, than via the traditional web.”

GEORGE DIXON  
MANAGER, MOBILE AND DIGITAL MEDIA, MEDIACOM UK

# GOLDEN RULES FOR SUCCESS IN SOCIAL MEDIA

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## **Think it through**

While some companies have become very adept at using social media, others are just starting their journey.

Some are still working out what to do with their page, while others are at the much more advanced stage, calculating how social media impacts on the brand and how it best works alongside TV spend.

The traditional evolution of a brand's Facebook life can be summarised as follows: set up a page, acquire as many fans as possible and then start to engage.

However, Facebook argues that the companies that get most out of social media are the ones that really think through their integration with the platform, not just in terms of marketing but across their whole business.

The winners have been the ones that have asked themselves the question: what does it mean to be a social company? What does it mean for customer service, for sales and for product development? It's not just putting a "like" button on your page.

**Work through all these issues – and they can be very complex – and advertising messages on the platform will be more effective because every communication will be more relevant. ■**

Companies that get most out of social media are the ones that really think through their integration with the platform, not just in terms of marketing but across their whole business.

# GOLDEN RULES FOR SUCCESS IN SOCIAL MEDIA (CONTINUED)

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## **Define success**

Social media enables brands to communicate via both paid and earned media and each of these platforms will generate its own metrics.

For paid media, it's possible to track awareness, engagement and activity deals. Brands can work with their media agencies to learn when and how they should place media in and around social commentary.

On the earned front, the two also work together to track and predict how this conversation impacts on their TV activity and whether TV drives more conversation.

**Having determined how social media can help their organization, brands can also tap into their agency's resources to define what success means for them and establish the metrics that will enable them to know how much progress they are making. ■**

Brands can work with their media agencies to learn when and how they should place media in and around social commentary

# GOLDEN RULES FOR SUCCESS IN SOCIAL MEDIA (CONTINUED)

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## **Create messages that spread**

Brand marketers have always wanted to have a one to one conversation with consumers. Social media is effectively best thought of as word-of-mouth marketing at scale.

VW might be delighted if you buy one of their cars but today they're even more delighted if you tell all your friends how wonderful it is. Social media lets consumers who are fans talk about brands to more people than they ever can in the offline world.

VW recently launched its new Beetle globally via a promoted tweet on Twitter as part of a global campaign. Although this was just one strand of an integrated strategy, the platform enabled the brand to spread an image of the new vehicle far and wide.

Tracking the success of the promoted trend enabled VW to see how far the conversation was spreading.

Elsewhere, VW also enjoyed viral success with The Force, its campaign for the new Passat model. Seeded on YouTube before it had aired on TV, the video received 12 million hits in four days through social media marketing alone. After being broadcast during Super Bowl XLV, millions more flocked online to make the ad one of the most popular online videos ever with nearly 41 million views. ■

Social media lets consumers who are fans talk about brands to more people than they ever can in the offline world.

# GOLDEN RULES FOR SUCCESS IN SOCIAL MEDIA (CONTINUED)

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## **Learn from other brands**

There are some great examples of brands that have driven incredible success in social media and brands of all sizes can learn from these examples.

A recent study by Visibli found that the brand with the most Facebook fan engagement was Audi. Audi invited fans to celebrate the 30th anniversary of its revolutionary quattro concept by giving them a place to share their Audi quattro stories.

The company built a destination (in Facebook) where enthusiasts and fans could share their own stories. This application created another place for people to engage with the Audi brand - allowing users to browse, comment, like, share, or create their own Audi quattro story. To date, the page has attracted over 3.6 million fans and counting.

Elsewhere, Nikon recently launched a social photography campaign, using Facebook and Flickr to create engagement with photographers of all standards.

By using competitions to build up amateur fans on Facebook and semi-pro fans on Flickr, the company attracted 76,000 fans on Facebook and 8,500 members on Flickr.

The engagement helped boost Nikon's share of the compact camera market in six key European markets.

Another business that has been brilliant at taking advantage of social media is Chinese food producer COFCO. It created a campaign around the company's Total Production Chain to reassure consumers at a time of great concern about food safety.

Working with MSN, the company challenged consumers to manage the five key stages of bringing a product to market: planting, caring, harvesting, processing and logistics. Each player had to recruit four friends to help them with their task and the viral nature of the challenge attracted 24.5 million unique users, boosting food safety perceptions.

**COFCO shows what's possible within Asia's social media landscape. Used effectively it can provide either a standalone alternative to TV or an impressive accompaniment that reduces your requirement for increasingly costly TV. ■**

Nikon's social photography campaign boosted the company's share in six key European markets.

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“With the brand new Beetle we launched a worldwide promoted trend on Twitter and it was an awesome opportunity for us to be able to get out and talk to people one-on-one and not just rely on the press. While there was a concentrated cross-channel effort to promote this, one thing that we were able to measure and [judge as successful] was our promoted trend on Twitter because we were able to speak to people [directly] and say ‘we have a brand new car.’”

SARA DEVINE  
MANAGER, DIGITAL INTEGRATION MARKETING,  
VOLKSWAGEN GROUP OF AMERICA

“There are without question advanced clients who understand, not just the one-to-one conversation but the scale that platforms like Facebook and Twitter can provide them. It is a distribution vehicle and allows for discovery, which is becoming an even more important part of the communications strategy. It’s why we need to continue to focus on building relationships with the platforms.”

SLOAN BRODERICK  
DIRECTOR OF INNOVATION, MEDIACOM INTERACTION USA

# WORKING OUT WHAT YOU CAN DO

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## **Look across your whole organisation**

Social media is earning an increasing share of the global consumer's media time. Be it Twitter, Facebook, YouTube or any of the other platforms popular around the world, consumers are spending more time in these spaces. Brands need to be here. But before they start updating their status, tweeting or posting videos, they also need to work out just what they hope to gain.

Ultimately there's no point in being on Facebook unless you are using it in the way that it was intended: to facilitate a one-to-one conversation with people who like your brand.

Social media can be an information channel, a sales channel, a customer service channel and a two-way channel. Brands need to be clear about which combination they want to deliver.

Facebook's recent deal with Skype to allow video calling creates even more new possibilities:

Customer service – Most serious brands have some kind of presence on Facebook, just as they do on Twitter. Often this can act as a lightning rod for any consumer frustrations, with negative comments threatening to take over their wall.

Using video calling will enable brands to address any customer that is having difficulty with their product or service, find out what is wrong and resolve the issue, quickly and efficiently.

Product set up – rather than having to send out a technician to install a new TV or set up a mobile, a customer service assistant might also be able to do so via video. Such one-to-one service might be offered by technology brands or retailers as a more cost-effective alternative to sending staff door to door.

Product demonstration – brands can make video-calling part of their launch strategies as well. Rather than simply place a film on YouTube, video calling will allow consumers to log on to a "conference call" where a technology brand might for example run through the features of its latest product, answer questions and build excitement within its fan base. ■

There's no point in being on Facebook unless you are using it in the way that it was intended: to facilitate a one-to-one conversation with people who like your brand.

# WORKING OUT WHAT YOU CAN DO (CONTINUED)

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## **Additional benefits**

Social media can also deliver improved internal processes, enhancing collaboration with and incorporation of partners into the business process. Companies such as Dell are using social media as a platform to enhance knowledge sharing across their companies.

Social media can also be used to deliver involvement anticipation. Getting consumers who are loyal to and appreciate a brand's products and services to act as a creative community will encourage them to go out and buy the product. Pizza Hut has leveraged crowdsourcing by allowing consumers to vote on new products such as the chain's next stuffed crust recipe.

## **Developing a social media strategy**

Brands should work both internally and with their agencies to develop their social media strategy. Internally, they will need to deal with the prospect of discovery. This may mean liaising with legal departments, PR and crisis management.

It can include working out how the Facebook page will be managed and who will manage it: should it be with the PR team most of the time but handed over to product specialists whenever there's a launch for example?

Internally, they will need to determine how big a job social media is within their company and whether it's one or more dedicated jobs or a bit of lots of people's role.

Externally, agencies provide an essential navigational role, helping brands distribute and optimise content and conversation. Agencies can use their experience of working across a wide client base to help determine how new products should come to market or a new message should be distributed.

They can assign relevant values to each platform – which will be very different for a customer service brand compared to an entertainment brand or a car manufacturer.

**Agencies can also act as a conduit for advice on the best way to benefit from different media platforms. They can feed back learnings from schemes such as Facebook Studio – a brainstorming session for ad agencies – and Studio.com – a library of the best work on Facebook – as well as telling Facebook via its client council what brands need from the platform. ■**

Brands should work both internally and with their agencies to develop their social media strategy.

Externally, agencies provide an essential navigational role, helping brands distribute and optimise content and conversation.

## WORKING OUT WHAT YOU CAN DO (CONTINUED)

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### **Understand how it works with traditional media**

Experience shows that there is a hierarchy of media. The speed with which events or brand messages appear on different platforms varies. Twitter and Facebook work fast but blogs and forums take longer to catch up. TV and print take even longer.

Social media has an important role in integrated campaigns. VW's The Force ad was uploaded to YouTube four days before it was due to appear on US TV during the Super Bowl.

With fan distribution backed up by paid search, by the time it was shown on TV it had been seen 12 million times and was already a hit on Twitter and Facebook. The broadcast created more buzz again via Twitter. Blogs and forums took longer to kick in and traditional media was even further behind. Social media helped extend the life of the content as well as reinforce the message, delivering greater value to VW.

Brands that invest in key events – and traditional channels – are committing large sums of money; a Super Bowl ad costs around \$3.5 million per 30-second slot.

**Using social media can deliver greater value from traditional spend and also ensure that consumers watch owned content more closely. ■**

Brands that invest in key events – and traditional channels – are committing large sums of money; a Super Bowl ad costs around \$3.5 million per 30-second slot.

# WORKING OUT WHAT YOU CAN DO (CONTINUED)

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## **The media cost implications**

Social media also changes the way advertisers and their agencies trade with media owners. With few exceptions – where advertisers buy display advertising on platforms such as Facebook – social media forces brands to move away from their traditional focus on discounts and rebates.

Most social media reach has to be earned rather than paid-for. You can advertise to drive passive awareness but the most effective messages are those that become part of the conversation.

Earning a place in these conversations is easier for some sectors than others. People are much more willing to talk about which car, which mobile or which holiday they want to buy than they are to talk about which brand of washing powder they like.

Advertisers need to appreciate that while 90% of consumers follow social media, community leaders wield far greater influence. Understanding what motivates them will help advertisers generate context and conversation around their brand message.

You and your agency will also need to create new relationships with media owners in this space, one based around co-operation and knowledge rather than the exchange of money.

Advertisers need to learn from platforms like Facebook and Google, to understand what consumers respond to in these environments, what makes a conversation carry on and to develop their skills in using them.

**Ultimately advertising spend is probably the last conversation brands should have when they work out their social media strategy. ■**

Most social media reach has to be earned rather than paid-for.

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“As an agency we need to be able to partner with anyone who can bring something valuable to the [social media] platform. That might be a creative agency, a technology platform like Buddy Media that integrates with Facebook, or a content producer. It’s our job and responsibility to be the guide for the brand, articulate the value and try to make the pieces fit together as seamlessly as possible.”

SLOAN BRODERICK  
DIRECTOR OF INNOVATION, MEDIACOM INTERACTION USA

“[The Force] was something we used Facebook and Twitter for along with PR before and after the ad actually ran on-air during the Super Bowl. I believe there were 12 million views on YouTube before the Super Bowl even took place because we had used our Facebook platform, Twitter, PR and paid search, and worked this together as an ecosystem to actually promote that ad and then extend the lifespan of that ad after the [event]. I think it’s currently still the number one ad viewed on YouTube ever with close to 40 million views.”

SARA DEVINE  
MANAGER, DIGITAL INTEGRATION MARKETING,  
VOLKSWAGEN GROUP OF AMERICA

“We think there’s a mutual benefit in the agency community and Facebook working tightly together. The VW example is a great example because the whole marketing campaign was social. I’m not here to say move money from TV or move money from print, I’m here to say that if you make your marketing more social it is going to be amplified that much better and the agency community is in the perfect position to be able to coordinate those pieces.”

CAROLYN EVERSON  
VP OF GLOBAL MARKETING SOLUTIONS, FACEBOOK

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“Recent stats may show that Facebook has peaked in some developed markets but the depth of service and message integration that is possible on the platform continues to develop. Few media platforms can offer so much to so many parts of an organisation be it marketing, customer service or research.

The latest deal with Skype extends Facebook’s value immensely and reinforces the need for marketers to dedicate serious time to understanding the platform.”

IVAN FERNANDES  
GLOBAL DIRECTOR, SOCIAL MEDIA TECHNOLOGY,  
MEDIACOM WORLDWIDE

# ASSESSING ROI

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Exactly how you as advertisers assess the potential value you can get from social media will depend on the precise way you decide to use Facebook, Twitter and other social media platforms.

The value that companies get from the monitoring of public opinion and or the use of social media as a research tool can be one of the easiest areas to look at. In many instances, social media will replace more traditional research activity and the costs of each approach can be readily compared.

For the likes of Domino's, the use of promotional codes provide an easy measure of impact while Starbucks in the US and Canada can calculate the reduction in its advertising bill having set up a jobs-focused Facebook page.

Ultimately, the process of testing or increasing investment in social media doesn't vary by market. The critical step is to set the right metrics and make sure you have the measurement in place.

The number of Facebook fans isn't going to make stakeholders feel more comfortable with moving money out of TV. A common evaluation metric that lets you compare channels – such as awareness or sales – is vital.

Facebook is partnering with Nielsen to create an online GRP measurement that will facilitate direct comparison with traditional media metrics but that's not the only measure.

Brands need to consider KPIs that measure the value of stories and conversations. To have a million fans that don't say much about your brand or are not interacting with page posts is missing the point.

Brands need to measure the number of stories that their fans generate and the number of comments their friends add to see the reach they present.

Each social media platform will have its own metrics but Facebook allows you to track spread by finding out that if 25 people clicked on your ad then 15 of their friends also followed suit.

**Nevertheless, not all elements of fan value can be expressed as a metric. How much is it worth to a brand if someone criticises them and 10 fans get on to say they are wrong? ■**

The value that companies get from the monitoring of public opinion and or the use of social media as a research tool can be one of the easiest areas to look at.

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“We don’t think about the value of a fan, and we encourage brands not to measure the value of their presence on Facebook just on the value of fans. We have brands that have 20 million fans and I would argue that they are still not getting the maximum benefit out of Facebook because they haven’t thought out the platform integration in their business. If they think about all of our platform benefits: the ‘likes’, the social plugins, etc., the benefit they get from the advertising [will be] that much higher.”

“We’re also starting to understand that [measurement] is really about the value of what we call stories and conversations. If you just have a million fans and stop there, you’re missing the whole point. Really, it’s about what those million fans are doing for you. What are they talking about? How many stories are they generating? Because every time they generate something, it feeds the ecosystem. If I have an awesome experience [with a brand], and I talk about it in my Facebook environment, it goes to my friends [and] friends of friends, almost like concentric circles. That’s what we should be measuring, not ‘have you ticked the box and got x number of fans?’”

CAROLYN EVERSON  
VP OF GLOBAL MARKETING SOLUTIONS, FACEBOOK

“Most social media reach has to be earned rather than paid-for. You can advertise to drive passive awareness but the most effective messages are those that become part of the conversation that takes place between consumers. If you don’t get the reach you seek, the problem is yours, you can’t ring up a media owner and ask for compensation.”

CHRISTIAN SCHMALZL  
CHIEF OPERATIONS AND INVESTMENT DIRECTOR,  
MEDIACOM WORLDWIDE

# ACTIONS FOR ADVERTISERS

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## Six things you can do right now...

### **1. Measure the impact of social media on your brand, your sales and the business reputation.**

These measures need to be comparable with the measures you already use for traditional media so that you can work out what role it should play in your communications.

### **2. Develop a clear strategy for social media, even if it is not to participate in certain platforms.**

Many companies are at different stages of development but it is crucial that marketers understand what social media can do for them and the company as a whole.

### **3. Decide where your consumer conversation point is going to be.**

Even brands that are used to consumer interaction are rethinking their strategies. German magazine Spiegel has recently started using Facebook as the place for consumers to comment on its articles.

### **4. Understand that each campaign will require an individual approach.**

Insight and strategy will be crucial to work out what will get people talking and the answers will differ from client to client and product to product.

### **5. Tailor experiences to local audiences.**

While the sites might be the same, multinational brands should still tailor social experiences to local audiences. Even where languages might be the same - say, from the US to Canada or Mexico to Uruguay - matters of competing promotional/editorial calendars, promotional relevance to consumers, and brand variances across regions dictate that social presences are managed at a national level.

### **6. Reallocate your budget.**

With the strategy set and the message agreed, you can finally assess where you are going to spend. Budget might be allocated to content for social media distribution, funding people needed to regularly interact with consumers or building relationships with key community leaders, for example. ■

# CONTACT

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