

# Social Media: Has it Lived up to The Hype?

Companies that understand the importance of monitoring the conversations and engaging their customers are the ones reaping the rewards of social media.

BY FORD SAEKS



It's impossible to ignore the buzz about social media ... it's "the next big thing ..." "a technology revolution ..." "forever changing the way people communicate." They said the same thing at the forefront of the dot com explosion. Has social media lived up to the

hype? Can social media work for any company? Ask 10 different people and there's likely to be 10 different opinions.

While the answer depends on what one's goals are regarding social media, the impact of social media as it relates to a brand certainly cannot be ignored. Prior to delving into this topic, a word of caution: there appear to be as many so-called social media "experts" as there are Facebook accounts. Go to any conference or pick up any magazine and there will be at least one presentation or article related to the topic of social media. There are many new books on the subject and Web sites dedicated to helping newbies understand what all of the hype is about. In their attempt to help others make sense of these new mediums, most experts do more to confuse business professionals than to help them grow their business. This article will offer a renewed perspective about how to leverage social media for any business.

## Three Levels of Communications

There are basically three different levels, or paths of communication, related to a brand. The first one is where the company controls the message. In this instance, communications are sent out to prospects and customers through a corporate Web site and other marketing methods. For years, this was the traditional method for improving brand awareness, promotions and publicity. The Web site is the first level because owners control the content. This has also been referred to as Web 1.0. This encompassed publishing a Web site and driving traffic to it to provide education, promotion,



sales, and customer service. At this stage, a company's Web site was simply a communication tool to help them grow their business.

The first thing to consider prior to implementing a social media marketing plan is to ensure that the company's Web site delivers the expected user experience. Is the site congruent with the quality of products and services? What good is it to use social media to drive traffic to the Web site only to fall short due to poor marketing copy, confusing navigation or ineffective calls to action? Businesses must also consistently review their Web site statistics, conversions, effectiveness and search engine rankings based on their top keyword phrases. These Web site issues must be addressed before social media can help grow a business.

The second level of communication is when a company provides a platform for feedback and two-way communication from their target market. Web 2.0 allows for user-generated content to be added in the form of text, audio and video on user-generated platforms. This includes allowing comments to be added to blogs, managing conversations on Facebook pages, or allowing product reviews and ratings on a company's Web site. Simply put, Web 2.0 lets brands offer direct connections for feedback and relationship building. The conversation changes from level one, which was a one-way communication, to a two-way communication between the

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brand and its customers. This is the stage where social media starts to make an impact on a business. When customers are allowed to rate products and leave comments or feedback they feel like their opinions count and their voices are heard.

Research shows that more than 74 percent of people trust peer recommendations, while only 14 percent trust advertisements. Even if you don't care about the statistics, you can't deny the impact ratings and reviews can have during the sales and buying cycles. They can have an immensely positive or negative impact. Companies that understand the importance of monitoring the conversations and engaging their customers are the ones reaping the rewards of social media.

The third level of communication is peer to peer. Businesses can and should monitor those conversations as they can have the biggest impact of all. If someone has a bad experience with a company, or its products and services, it only takes a few minutes for them to send out a tweet, post it to Facebook, note it on Foursquare or blog about it. They can create a video and post it on YouTube or one of the other hundreds of social media Web sites. This two-way communication changes the dynamics of a brand. Franchises may still own the trademark, but their customers own the brand. The perception of a brand in the marketplace is the reality. This takes Web 2.0 and user-generated content to a whole new level. This is why there is so much hype associated with social media; it is a topic that is so vast with many different idiosyncrasies, styles and platforms.

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### Focus on Social Media Categories

There are literally thousands of social media Web sites in a wide variety of shapes and sizes. Today's Facebook was yesterday's MySpace. With so many new social Web sites sprouting, it's easy to lose direction. To create some clarity and focus, consider

the following five categories:

- Community and social interaction—Facebook
- Professional Networking—LinkedIn
- Data Sharing—Youtube and Flickr
- Blogging—Company blog and topic related blogs
- Micro Blog—Twitter

The company Web site, search rankings and presence on social media Web sites all help create a brand's digital footprint. A footprint represents conversations, blogs, videos and any interactions relating to the company. Even if a franchise isn't participating in an outbound social media campaign, their brand or company still has a digital footprint. Social media will have an impact on virtually every brand identity in the marketplace. That's not hype ... that's a fact.

To help answer the question on hype, we posted a question to business professionals on LinkedIn. We asked, "There's a great debate on social media being a lot of hype. What do you think and why?"

### What Business Professionals are Saying

"It is the dot-com bubble all over again. Most of the Social Media (SM) sites will vanish. There will be a few large players. Social media will evolve into something quite different, with different classes of platform, and segmented special interest platforms — as happened with old media. But the way in which it is used will be quite different from today." — F. Feather

"I don't believe it is all hype—the young generation lives by social media. Social media will do for marketing and sales what the printing press did for newspapers!" — D. Shay

"It is getting hyped up, and seems to have the dot-com sensation about it like in the mid 90's, but that's just a shallow perception of the truth, mostly by people who do not immerse themselves in it, and do not fully understand it. The difference is that it is a useful tool for individuals and businesses to share, inform, communicate and assist with marketing of their products and services. Therefore since it has a useful function it will thrive. What will change is the power of the user as the growth curve starts to level off." — S. Hamer

## 7 Tips to Monetize Social Media

- 1) Review your Web site with the user experience in mind.
- 2) Participate by listening, watching and learning the basics first.
- 3) Develop a social media plan that allows you to influence and engage with your target market.
- 4) Identify top keyword phrases and include them in your profiles and posts.
- 5) Set up Google alerts for keywords to receive e-mail updates of new content.
- 6) Monitor online conversations from key influencers and engage in two-way communication.
- 7) Post opinions and comments on other blogs, profiles and postings.

"I agree that it will inevitably consolidate to a handful of social media (SM) sites but the social media world is here to stay. We are already seeing how sites like Yelp are integrating with Facebook and how tools like Twitter are integrated with several SM platforms. I believe several so-called SM sites now will just be functions and tools of the larger sites. Plus, it is true, the younger generations are plugged into it and their thought patterns, behaviors and habits will

keep SM alive.” – G. Hedges

“Those who actually put the time and energy into social media and social networking sites can find much business success ... The problem occurs when people don't understand that they must spend lots of time networking, which many aren't prepared to do.” – D. Maskin

“There are two types of people who network. The first is the group who expect a sale from every networking event they attend. If they don't see immediate results from the event it was a waste of time and they don't go back. The same with social media—no quick results = a lot of hype. The second group treats networking and social media as an opportunity to build relationships and help others. They are the people who likely will ultimately get business through their social media connections.” – S. Sims

There were several more responses, but in summary, they mentioned the same basic concepts. It's an inevitable new addition to integrated marketing. The social media sites will consolidate, allowing integration and aggregation of content and user experience. They will change the way businesses connect and communicate with their customers.

There is no “one size fits all” solution to utilizing social media.

Social media has completely changed the way people live, work and play. Kids are enrolling in virtual schools and connecting with peers via social media instead of the playground. Singles are meeting mates online and first encounters are in “social cafes” instead of coffee shops. Executives are signing deals with new overseas clients from the comfort of their office chair. Brand managers are using Twitter to improve customer service. The list goes on. It's time to get off the sidelines and get into the game, but users must first create a game plan. Companies should start by considering their social media best practices and communicate them throughout their organization. In the case of the franchisor/franchisee relationship, corporate policies, compliance, confidentiality and privacy issues must also be addressed.

One thing is obvious, social media has leveled the playing field. It has created an opportunity for anyone, anywhere, to have a voice. Getting a message out no longer depends on how large a marketing budget is; in fact, it's forced many companies to

get creative; many have even hired social media consultants to manage their social media campaigns.

The good news is that anyone can learn how to benefit from social media. The “influencers” of social media are the active users who create the content. On the other spectrum are the “passive” users who elect to just consume the content. Identifying and engaging the influencers related to one's industry, product category or brand should be a top priority in any ongoing social media strategy. ■

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