

Making a business case for social media



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As little as a year ago, social media was considered a novelty, with only the most forward thinking companies and organisations participating. But as we have come to expect from the online world, things keep moving at breakneck pace.

Much of the recent discussion about social media has shifted from “should I participate?” to “how do I measure my return?” Return on social media investment depends on what you are looking to achieve from it and your business goals.

According to a recent study by Eventbrite, FaceBook is the most effective and profitable social media platform for sharing information. In their study of event ticket sales, they discovered that on average, sharing an event on FaceBook translated into \$3.35 of ticket sales. Sharing through email took second place at \$3.12, LinkedIn came in at \$1.20 and Twitter lagged behind on \$0.57.

But not every marketing activity on social media will have a measurable financial return. In some cases you may choose to use these platforms to develop brand awareness, to create a leadership position in your industry or to engage in online conversation with your market. There is no single correct answer. However, you should always have a defined

purpose and strategy behind your social media programme.

Social initiatives require a consistent investment in time and energy over a period of time before returns will accumulate. This can be challenging for many organisations to accept, and they can easily cause themselves to fail by being too anxious and focused on short term results. Social media marketing requires a mindset change and a redefined results horizon.

When social media is used effectively the returns are generally slow to ramp up at first but they will accelerate over time. Be patient and give your social networking efforts at least six to twelve months to develop credibility and gain a meaningful following. Unlike traditional adverting, this is not a direct response medium. So don't be disheartened if it doesn't happen overnight.

However, if you get it right, you will be able to reduce your overall marketing spend because social media is essentially free, other than your time and effort. Your most productive strategy would be to drop the poor performers from your marketing programme and replace them with an investment in social media marketing.

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