

Book I

The Social Media Mix



Chapter 1: Making the Business Case for Social Media

In This Chapter

- ✓ **Defining social media**
- ✓ **Accentuating the positives**
- ✓ **Eliminating the negatives**
- ✓ **Latching on to the affirmatives**
- ✓ **Integrating social media into your overall marketing plan**
- ✓ **Evaluating the worth of social media**

In the best of all worlds, social media — a suite of online services that facilitates two-way communication and content sharing — can become a productive component of your overall marketing strategy. These services can enhance your company’s online visibility, strengthen relationships with your clients, and expand word-of-mouth advertising, which is the best type.

Given its rapid rise in popularity and its hundreds of millions of worldwide users, social media marketing sounds quite tempting. These tools require minimal upfront cash and, theoretically, you’ll find customers flooding through your cyberdoors, ready to buy. It sounds like a no-brainer — but it isn’t.

Has someone finally invented a perfect marketing method that puts you directly in touch with your customers and prospects, costs nothing, and generates profits faster than a perpetual motion machine produces energy? The hype is yes; the real answer, unfortunately, is no. Marketing nirvana is not yet at hand.

This chapter provides an overview of the pros and cons of social media to help you decide whether to join the social whirl and gives a framework for approaching a strategic choice of which media to use.

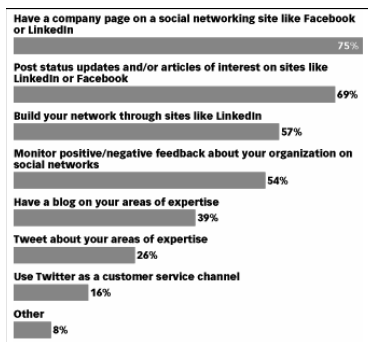
Making Your Social Debut

Like any form of marketing, social media takes some thought. It can become an enormous siphon of your time, and short-term profits are rare. Social media is a long-term marketing commitment.

So, should you or shouldn't you invest time and effort in this new marketing avenue? If you answer in the affirmative, you immediately confront another decision: What form should that investment take? The number of options is overwhelming; you can never use every technique and certainly can't do them all at once.

Figure 1-1 shows how small businesses are using social media. True to form, many U.S. small businesses have taken a wait-and-see attitude, although more are trying it out. According to a recent survey (see www.penn-olson.com/2010/03/03/more-small-businesses-using-social-media-successfully) as of December 2009, about 24 percent of small businesses used some form of social media marketing, up from 12 percent the preceding year. Most businesses on the sidelines give the best reason in the world for not participating — their customers aren't there yet.

Figure 1-1:
Of the 24 percent of small businesses using social media, the greatest number created profile pages on social networking sites as part of their strategy.



Courtesy eMarketer

Defining Social Media Marketing

The bewildering array of social media (which seem to breed new services faster than rabbits) makes it hard to discern what they have in common: shared information, often on a peer-to-peer basis. Although many social

media messages look like traditional “broadcasts” from one business to many consumers, their interactive component offers an enticing illusion of “one-to-one” communication that invites individual readers to respond.

The phrase *social media marketing* generally refers to using these online services for relationship selling — a subject you already know all about. *Social media services* or *channels* make innovative use of new online technologies to accomplish familiar communication and marketing goals.



Everything you already know about marketing is correct. Social media marketing is a new technique, not a new world.

This book covers a variety of *social media services* or *channels*. You may hear social media referred to as *Web 2.0* (interactive) techniques. At least one prominent marketing company distinguishes between the two, constraining the term *Web 2.0* to enabling technologies and reserving *social media* for relationship building activities.

For the purpose of this book, this distinction is somewhat academic. Instead, we group tools that improve the performance or effectiveness of social media into one category, regardless of the underlying technology. We use the phrase *social media site* to refer to a specific, named online service or product.

You can categorize social media services (or *channels*) into categories. The channels have fuzzy boundaries: They may overlap, and some sites fall into multiple channels. For instance, some social networks and communities allow participants to share photos and may include a blog.

Here are the different types of social media channels:

- ◆ **Blogs:** Web sites designed to let you easily update or change content and allow readers to post their own opinions or reactions. Figure 1-2 shows you an example of a business blog with verve, from Crafty Chica. Her blog, which is only part of a suite of her social media activities, exchanges messages with Facebook and Twitter.

Examples of blogging software are

- WordPress, TypePad, and Blogger (formerly Blogspot) (freestanding blog services)
- Other blog software, freestanding sites or integrated into standard Web sites



Figure 1-2:
A Diary of a
Crafty Chica
is a blog on
Blogspot.

Courtesy CraftyChica.com

- ◆ **Social networking services:** Originally developed to facilitate the exchange of personal information (messages, photos, video, audio) to groups of friends and family, these full-featured services offer multiple functions. From a business point of view, many of them support subgroups that offer the potential for more targeted marketing.
 - *Full networks* such as Facebook, MySpace, or myYearbook
Figure 1-3 shows the Facebook site of ArtBizCoach.com, which teaches artists how to promote their art.
 - *Microblogging (short message) networks* such as Twitter or Plurk
Figure 1-4 shows how Scania Group, a B2B manufacturer of trucks and buses, uses its Twitter account to provide information and alert customers to new opportunities.
 - *Professional networks* such as LinkedIn and Plaxo
 - *Other specialty networks within vertical industry, demographic, or activity segments*

Figure 1-3: Companies use the popular social networking service Facebook to maintain an ongoing public dialogue with colleagues, customers, and prospects.



Alyson Stanfield's community page for ArtBiz /Stanfield Art Associates at facebook.com/artbizcoach

Figure 1-4: Twitter, a rapidly growing, micro-blogging social network, is excellent for disseminating announcements, events, sales notices, and promotions and for quickly alerting customers of new information.



Copyright Scania

- ◆ **Social-media sharing services:** These media channels facilitate posting and commenting on videos, photos, and podcasts (audio):
 - *Video:* Examples are YouTube, Vimeo, or Ustream. Figure 1-5 shows how the Roger Smith Hotel takes advantage of its YouTube channel.
 - *Photos:* Flickr, Photobucket, or Picasa
 - *Audio:* Podcast Alley or BlogTalkRadio

Figure 1-5:
The YouTube channel for the Roger Smith Hotel is an integral part of its social media strategy.



Courtesy Roger Smith Hotel

- ◆ **Social bookmarking services:** Similar to private bookmarks for your favorite sites on your computer, social bookmarks are publicly viewable lists of sites that others have recommended:
 - *Recommendation services* such as StumbleUpon, Delicious
 - *Social shopping services* such as Kaboodle or ThisNext
 - *Other bookmarking services organized by topic or application*, such as book recommendation sites

- ◆ **Social news services:** On these peer-based lists of recommended articles from news sites, blogs, or Web pages, users often “vote” on the value of the postings:
 - Digg
 - reddit
 - Other news sites
- ◆ **Social geolocation and meeting services:** For a change, these services bring people together in real space rather than in cyberspace:
 - Foursquare, Gowalla, Loopt
 - Other GPS (global positioning system) applications, many of which operate on mobile phones
 - Meet-ups and tweet-ups
- ◆ **Community building services:** Many comment- and content-sharing sites have been around for a long time, such as forums, message boards, and Yahoo! and Google groups. Other examples are
 - *Community building sites* with multiple sharing features such as *Ning*
 - *Wikis* such as Wikipedia for group-sourced content
 - *Review sites* such as TripAdvisor and Epinions to solicit consumer views

Dozens, if not hundreds, of social tools, apps (freestanding online applications), and widgets (small applications placed on other sites, services, or desktops) monitor, distribute, search, analyze, and rank content. Many are specific to a particular social network, especially Twitter.

Others are designed to aggregate information across the social media landscape, including such monitoring tools as Google Alerts or Social Mention or distribution tools such as RSS or Ping.fm. Book II offers a survey of many more of these tools; service-specific tools are covered in their respective books.

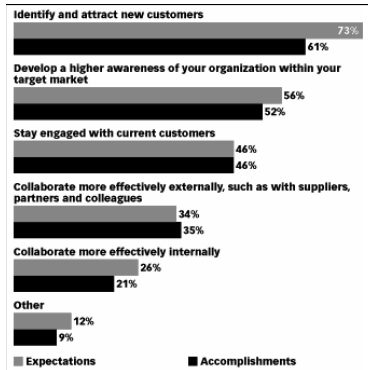
Understanding the Benefits of Social Media

Social media marketing carries many benefits. One of the most of important is that you don't have to front any cash for most services. Of course, there's a downside: Most services require a significant investment of time to initiate and maintain a social media marketing campaign.

As you read the list of benefits, think about whether the benefit is one that applies to your needs. How important is it to your business? How much time are you willing to allocate to it? What kind of a payoff would you expect?

Figure 1-6 shows how small businesses rate the relative effectiveness of social media in meeting their goals.

Figure 1-6:
eMarketer surveyed how small businesses rate the effectiveness of social media in meeting their goals.



Courtesy eMarketer

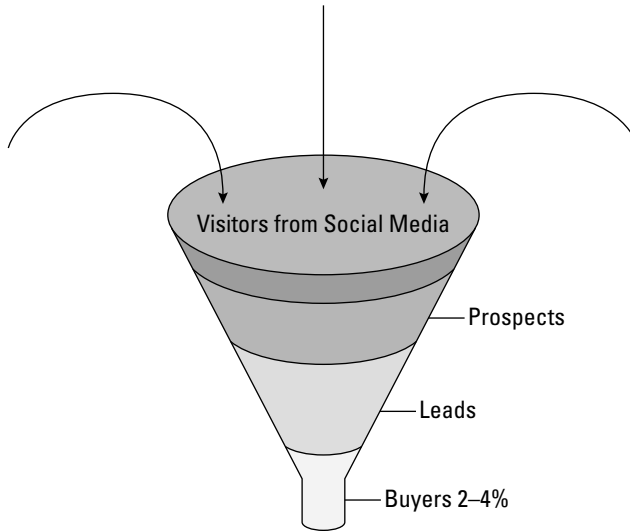
Casting a wide net to catch your target market

The audience for social media is huge. In mid-2010, Facebook claimed almost 500 million users, many of whom use the service multiple times per week (and others who never use it after the first time). By mid-March 2010, weekly traffic on Facebook had exceeded weekly traffic on Google, which had worn the traffic crown for years. Twitter claims more than 100 million users and insists that millions of *tweets* (short messages) are posted daily. Even narrowly focused networking sites claim hundreds of thousands of visitors.

A relatively small number of power users — those who post ten or more times per day — drive a huge number of tweets. The vast majority of users either read messages only, without posting, or post only one or two messages per week. It's probably the old 80/20 rule at play: 80 percent of the users produce 20 percent of the tweets, and 20 percent of the users produce 80 percent of the tweets!

Surely, some of the people using these sites must be your customers or prospects. In fact, one popular use of social media is to cast a wide net to capture more potential visitors to your Web site. The classic conversion funnel shown in Figure 1-7 shows the value of bringing new traffic to the top of the funnel.

Figure 1-7: The classic conversion funnel shows that only 2 to 4 percent of funnel entries yield desired results.



If more people arrive at the top of the funnel, theoretically more will progress through the steps of prospect and qualified lead to become a customer. Only 2 to 4 percent, on average, make it through a funnel regardless of what the funnel decision is.



In Book I, Chapter 2, we discuss how you can assess traffic on social media sites using tools such as Quantcast or Alexa and match their visitors to the profiles of your customers.

Branding

Basic marketing focuses on the need for branding, name recognition, visibility, presence, or top-of-mind awareness. Call it what you will — you want people to remember your company name when they're in need of your product or service. Social media services, of almost every type, are excellent ways to build your brand.



Social media works for branding as long as you get your name in front of the right people. Plan to segment the audience on the large social media services. You can look for more targeted groups within them or search for specialty services that may reach fewer people overall but more of the ones who are right for your business.

Building relationships

You will hear repeatedly that social media marketing requires the long view. To build effective relationships in social media, you're expected to

- ◆ Establish your expertise
- ◆ Participate regularly as a “good citizen” of whichever social media world you’re inhabiting
- ◆ Avoid overt self-promotion
- ◆ Sell softly
- ◆ Provide value with links, resources, and unbiased information

Watch for steady growth in the number of your followers on a particular service; the number of people who recommend your site to others; increased downloads of white papers; or repeat visits to your site. All these signs indicate you’re building relationships that may later lead, if not to a direct sale, then to a word-of-Web recommendation to someone who does buy.

In the world of social media, the term *engagement* refers to the length of time and quality of interaction between your company and your followers.



Social media is a long-term commitment. Other than little experiments or pilot projects, don’t bother starting a social media commitment if you don’t plan to keep it going. Any short-term benefits you see aren’t worth the effort you have to make.

Improving business processes

Already, many clever businesses have found ways to use social media to improve business processes. Though individual applications depend on the nature of your business, consider leveraging social media to

- ◆ Promptly detect and correct customer problems or complaints
- ◆ Obtain customer feedback and input on new product designs or changes
- ◆ Provide tech support to many people at one time; if one person has a question, changes are good that others do, too
- ◆ Improve service delivery, such as cafés that accept to-go orders on Twitter or Facebook or cupcake carts and food caravans that notify customers where and when their carts will arrive
- ◆ Locate qualified new vendors, service providers, and employees by using professional networks such as LinkedIn
- ◆ Collect critical market intelligence on your industry and competitors by watching content on appropriate social media
- ◆ Use new geolocation services to drive local traffic during slow times and acquire new customers



Marketing is only part of your company, but all of your company is marketing. Social media is a ripe environment for this hypothesis, where every part

of a company, from human resources to tech support, and from engineering to sales, can be involved.

Improving search engine rankings

Just as you optimize your Web site, you should optimize your social media outlets for search engine ranking. Now that search engines are cataloging Twitter and Facebook and other appearances on social media, you can gain additional front page real estate for your company on Google, Yahoo!, and Bing.

Search engines recognize some, but not all, appearances on social media as inbound links, which also improve the page rank of your site.



Use a core set of search terms and keywords across as many sites as possible. Book II, Chapter 2 deals with search optimization in detail.

Optimization pays off in other ways: in results on real-time searches, which are now available on primary search engines; on external search engines that focus on blogs or other social media services; and on internal, site-specific search engines.

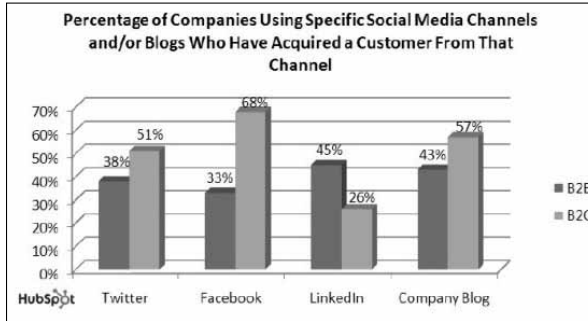
Selling when opportunity arises

Conventional thinking says that social media is designed for long-term engagement, for marketing and branding rather than for sales. However, a few obvious selling opportunities exist, particularly for business-to-consumer (B2C) companies, that won't offend followers:

- ◆ **Sell CDs and event tickets.** Services such as MySpace cater to music and entertainment and are considered appropriate places.
- ◆ **Include a link to your store on social shopping services.** Recommend products — particularly apparel, jewelry, beauty, and decor — as Stylehive does.
- ◆ **Offer promotional codes or special offers to followers.** Offering them on particular networks encourages your followers to visit your site to make a purchase. You can even announce sales or events.
- ◆ **Place links to online or third-party stores on your profile pages on various services.** You can rarely sell directly from a social media service, but some permit you to place widgets that visually showcase your products and links to your online store, PayPal, or the equivalent to conclude a transaction.
- ◆ **Include a sign-up option for your e-newsletter.** It offers a bridge to sales.

The chart in Figure 1-8 shows a 2010 HubSpot survey of the percentage of companies that succeeded in acquiring a customer by way of a specific social media channel. The survey encompassed both B2B companies on the left of each pairing and B2C companies on the right. It shows that many businesses that make the effort succeed in closing sales that were initiated in a social media channel.

Figure 1-8: This survey indicates that you can, with a little effort, make a sale by way of social media.



Courtesy HubSpot® www.hubspot.com



Include sales offers within a stream of information and news to avoid turning your social media site into a series of never-ending advertisements. Throughout this book, you read about other businesses that have found unique ways to sell socially.

Saving money on advertising

The magic word is *free*. If you're a start-up company, "free" social media is likely the only advertising you can afford. If you decide to approach social media for this purpose, construct your master campaign just as carefully as you would a paid one:

- ◆ Create a plan that outlines target markets, ad offers, publishing venues, and scheduled "flights" for different ad campaigns.
- ◆ If necessary, conduct comparative testing of messages, graphics, and offers.
- ◆ Monitor results and focus on the outlets that work best at driving qualified visits that lead to conversions.
- ◆ Supplement your free advertising with search optimization and press releases and other forms of free promotion.



Advertising is only one part of marketing!

As you see traffic and conversions building from your social media marketing campaigns, you may want to reduce existing paid advertising campaigns. Just don't stop your paid advertising until you're confident that you have an equally profitable stream of customers from social media. Of course, if your ad campaign isn't working, there's no point continuing it.

Understanding the Cons of Social Media

For all its upsides, social media has its downsides. As social media has gained in popularity, it has also become increasingly difficult to gain visibility among its hundreds of millions of users.

In fact, sometimes you have to craft a campaign just to build an audience on a particular social media site. It's quite similar to conducting optimization and inbound link campaigns so that your site is found in natural search results.



Don't participate in social media for its own sake, or just because "everyone else is."

By far, the biggest downside in social media is the amount of time you need to invest to see results. You need to make an ongoing commitment to review and respond to comments and to provide an ongoing stream of new material. An initial commitment to set up a profile is just the tip of the iceberg.

If you became addicted to news alerts during the 2008 presidential campaign or couldn't take your eyes off live coverage of the Mars landing, or if you play Farmville or other video games with a passion, continuously run instant messaging, or check e-mail every ten seconds, watch out for social media.

Individually and collectively, social media is the biggest-ever time sink. Without self-discipline and a strong time schedule, you can easily become so socially overbooked that other tasks go undone.

As you consider each of the social media options in this book, consider the level of human resources that are needed. Do you have the time and talents yourself? If not, do other people within your organization have the time and talent? Which other efforts will you need to give up to make room for social media? Will you have to hire new employees or contract out services, leading to hard costs for this supposedly "free" media?

Integrating Social Media into Your Overall Marketing Effort

Social media is only part of your online marketing. Online marketing is only part of your overall marketing. Don't mistake the part for the whole.

Consider each foray into social marketing as a strategic choice to supplement your other online marketing activities, which may include creating or managing a marketing-effective Web site, content updates, search engine optimization (SEO), inbound link campaigns, online press releases, event calendar postings, e-mail newsletters, testimonials and reviews, affiliate or loyalty programs, online events or promotions, not to mention pay-per-click ads, banners, or sponsorships.



Social media is neither necessary nor sufficient for all your online marketing.

Use social media strategically to

- ◆ Meet an otherwise unmet marketing need
- ◆ Increase access to your target market
- ◆ Open the door to a new niche market
- ◆ Move prospects through the conversion funnel
- ◆ Improve the experience for existing customers

For example, Emerson Salon (<http://emersonsalon.com>; see Figure 1-9) developed a social media presence to attract a younger clientele already actively involved in social networking. For more information on overall online marketing, see Jan's book *Web Marketing For Dummies*, 2nd Edition.

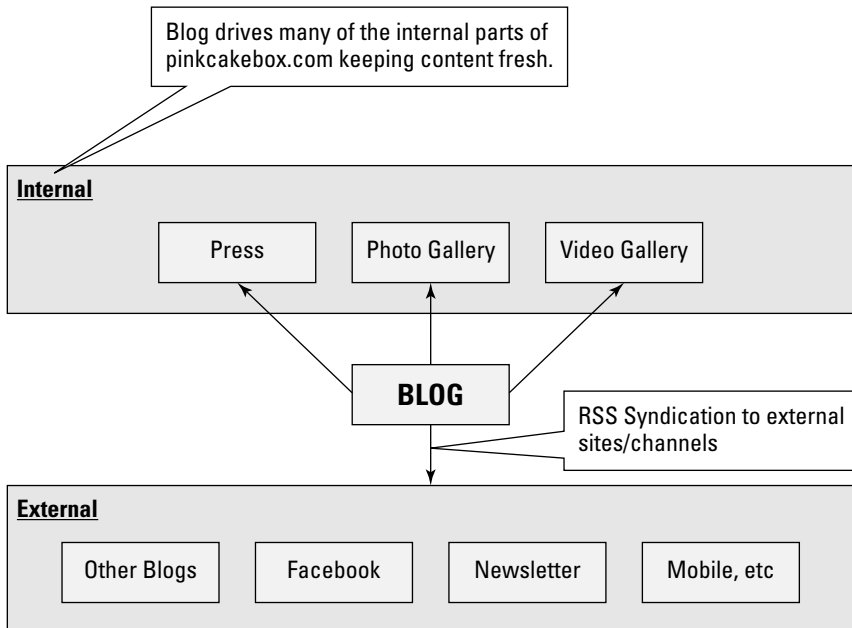
You must have a hub site to which Web traffic will be directed, as shown in Figure 1-10. It can be a full-bore Web site or a blog, as long as the site has its own domain name. It doesn't matter where the site is hosted — only that you own its name, which appears as `yourcompany.com`, or `blog.yourcompany.com`. Though you can link to `yourcompany.wordpress.com`, you cannot effectively optimize or search for it. Besides, it doesn't look professional.

Figure 1-9: The Emerson Salon maintains an active presence on Facebook, Yelp, and Twitter and has multiple RSS feeds.



Courtesy Emerson Salon

Figure 1-10: Pink Cake Box developed a block diagram with its blog as its hub, connecting to both internal and external "spokes."



Courtesy Pink Cake Box www.pinkcakebox.com

Consider sketching for your own campaign a block diagram that shows the relationship between components, the flow of content between outlets, and perhaps even the criterion for success and how it will be measured.

Developing a Strategic Social Media Marketing Plan

Surely you wrote an overall marketing plan when you last updated your business plan and an online marketing plan when you first created your Web site. If not, it's never too late! For business planning resources, see the Small Business Planner page at www.sba.gov/smallbusinessplanner/plan/writeabusinessplan/index.html or read *Business Plans For Dummies*, 2nd Edition, by Paul Tiffany and Steven D. Peterson.

You can further refine a marketing plan for social media marketing purposes. As with any other marketing plan, you start with strategy. A Social Media Marketing Strategic Goals Statement (Figure 1-11 shows an example) would incorporate sections on strategic goals, objectives, target markets, methods, costs, and return on investment (ROI). You can find this statement on this book's Web site (see the Introduction). Read more about ROI in Book VIII, Chapter 3.

Here are some points to keep in mind when putting together your own strategic marketing overview:

- ◆ The most important function of the form isn't for you to follow it slavishly, but rather to force you to consider the various facets of social media marketing before you invest too much effort or money.
- ◆ The form also helps you communicate decisions to your board of advisors or your boss, in case you need to make the business case for getting involved in social media.
- ◆ The form provides a coherent framework for explaining to everyone involved in your social media effort — employees, volunteers, or contractors — the task you're trying to accomplish and why.

Book II, Chapter 2 includes a separate Social Media Marketing Plan, which helps you develop a detailed tactical approach for specific services and sites, tools, and timelines.

Social Media Marketing Strategic Goals

Related to Hub Site (URL): _____

Prepared by: _____ **Date:** _____

Business Profile

Is the social media plan for a new or established company?

- New company
- Existing company, in business ____ years.

Does the company have an existing brick-and-mortar operation?

- Yes
- No

Does the company have an existing Web site or Web presence?

- Yes
- No

Does the company have an existing blog or social media presence?

- Yes If yes, list all current URLs for social media.
- No

Will your site serve:

- Businesses
- Consumers

What type of business is the Web site for?

- Manufacturer
- Distributor
- Retailer
- Service provider
- Professional

What does the company sell?

- Goods
- Services

Describe your goods or services:

What geographical range does the social media campaign address?

- Local (specify)
- Regional (specify)
- National (specify if not US)
- International (specify)

Social Media Campaign Goals

Rank the applicable goals of your social media campaign from 1–7 with 1 your top goal

Figure 1-11: Establish your own strategic social marketing goals, objectives, and target market definition on this form.

- _____ Increasing traffic/visits to hub site
- _____ Branding
- _____ Building relationships
- _____ Improving business process (e.g. customer service, tech support)
- _____ Improving visibility in natural search
- _____ Increasing sales revenue
- _____ Saving money on paid advertising

Financial Profile

Social Media Campaign Budget for First Year

| | | |
|-----------------------------------------------------------------------|-----------|--|
| Outside development, contractors, includes writing, design, technical | \$ | |
| Special content production (e.g. video, podcasts, photography): | \$ | |
| Marketing/paid ads on social media | \$ | |
| Inhouse labor (burdened rate) | \$ | |
| Other costs, e.g. tools, equipment | \$ | |
| TOTAL: | \$ | |

| | | | | | |
|-----------------------|----|--|---------|--|-------|
| Break-even point: | \$ | | Within: | | mo/yr |
| Return on investment: | % | | Within: | | mo/yr |

Sample Objectives

Repeat for appropriate objectives for each goal within timeframe specified (for instance, 1 year).

| | | | |
|------------------------------------------------------------------------------------------|----|---------|--|
| Traffic objective (# visitors per month): | | Within: | |
| Conversion objective: | % | Within: | |
| Sales objectives (# sales per month): | \$ | Within: | |
| Average \$ per sale: | \$ | Within: | |
| \$ revenue per month: | \$ | Within: | |
| Other objectives specific to your site, e.g. for branding, relationships, search ranking | | Within: | |
| | | Within: | |

Marketing Profile

Describe your target markets. Give specific demographic or other segmentation information. For B2B, segment by industry and/or job title.

What is your marketing tag?

Value proposition: Why should someone buy from your company rather than another?

Name at least six competitors and list their Web sites, blogs, and social media pages

| | |
|-------|-------|
| <hr/> | <hr/> |
| <hr/> | <hr/> |
| <hr/> | <hr/> |
| <hr/> | <hr/> |
| <hr/> | <hr/> |
| <hr/> | <hr/> |

© 2010 Watermelon Mountain Web Marketing www.watermelonweb.com

In the following sections, we talk about the information you should include on your form.

Establishing goals

The Goals section prioritizes the overall reasons you’re implementing a social media campaign. You can prioritize your goals from the list of seven benefits of social media, described in the earlier section “Understanding the Benefits of Social Media,” or add your own. Most businesses have multiple goals, which you can specify on the form.

Setting quantifiable objectives

For each goal, set at least one quantifiable, measurable objective. “More customers” isn’t a quantifiable objective. A quantifiable objective is “Increase number of visits to Web site by 10 percent,” or “add 30 new customers within three months,” or “obtain 100 new followers for Twitter account within one month of launch.” Enter this information on the form.

Identifying your target markets

Specify one or more target markets on the form, not by what they consume, but rather by who they are. “Everyone who eats dinner out” isn’t a submarket you can identify online. However, you can find “high-income couples within 20 miles of your destination who visit wine and classical music sites.”

You may want to reach more than one target market by way of social media or other methods. Specify each of them. Then, as you read about different methods in this book, write down next to each one which social media services or sites appear best suited to reach that market. Prioritize the order in which you plan to reach them.

Book II, Chapter 2 suggests online market research techniques to help you define your markets, match them to social media services, and find them online.



Think niche!

Estimating costs

Estimating costs from the bottom up is rather tricky, and this approach rarely includes a cap. Consequently, costs often wildly exceed your budget. Instead, establish first how much money you’re willing to invest in the overall effort, including in-house labor, outside contractors, and miscellaneous hard costs such as purchasing software or equipment. Enter those amounts in the Cost section.

Then prioritize your social marketing efforts based on what you can afford, allocating or reallocating funds within your budget as needed. This approach not only keeps your total social marketing costs under control but also lets you assess the results against expenses.



To make cost-tracking easier, ask your bookkeeper or CPA to set up an “activity” or a “job” within your accounting system for social media marketing. Then you can easily track and report all related costs and labor.

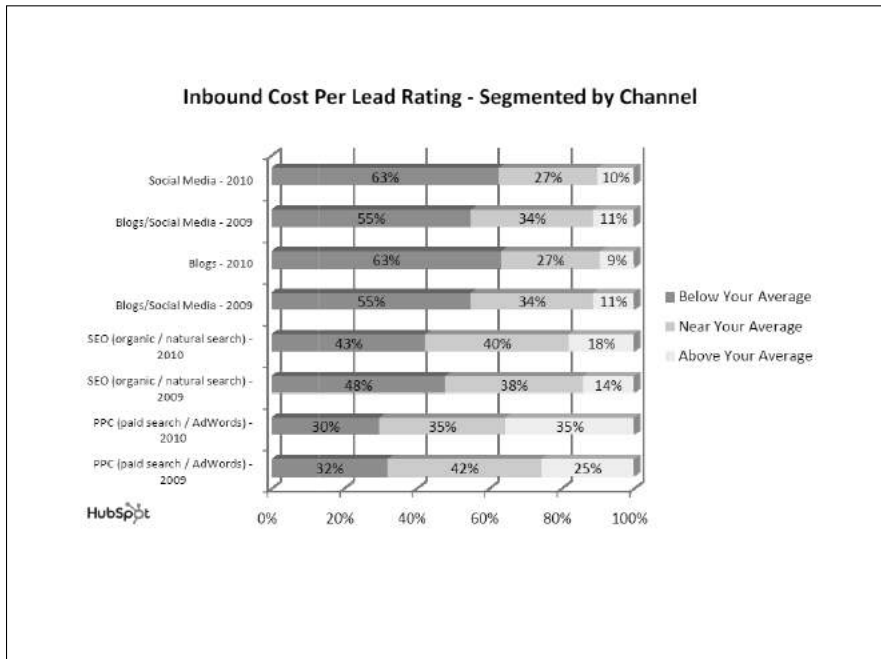
Valuing social media ROI

Return on investment (ROI) is your single most important measure of success for social media marketing. In simple terms, *ROI* is the ratio of revenue divided by costs for your business or, in this case, for your social media marketing effort.

You also need to set a realistic term in which you will recover your investment. Are you willing to wait ten weeks? Ten months? Ten years? Some forms of social media are unlikely to produce a fast fix for drooping sales, so consider what you're trying to accomplish.

Figure 1-12 presents a brief glimpse of how others assess the average cost of lead acquisition for B2B companies for social marketing compared to other forms of marketing. It's just a guide. Keep in mind that the only ROI or cost of acquisition that truly matters is your own.

Figure 1-12: This HubSpot chart compares the cost of B2B lead generation for social media and blogs compared to PPC and natural search.



Courtesy HubSpot@ www.HubSpot.com

Costs usually turn out to be simpler to track than revenues that are traceable explicitly to social media. Book VIII, Chapter 3 discusses techniques for figuring out ROI and other financial metrics in detail.



Whatever you plan online will cost twice as much and take twice as long as anticipated.



A social media service is likely to produce results only when your customers or prospects are already using it or are willing to try. Pushing people toward a service they don't want is quite difficult. If in doubt, first expand other online and offline efforts to drive traffic toward your hub site.

Staying with social media at the Roger Smith Hotel

The Roger Smith Hotel, a family run, boutique, art hotel located in the heart of midtown Manhattan, is promoted regionally, nationally, and internationally. The public spaces of the hotel are filled with colorful murals and beautiful bronze sculptures by artist-in-residence James Knowles, and its rooms are designed in a comfortable New England bed-and-breakfast style.

The DeLima family has owned the hotel since they founded it in the 1930s. Knowles (husband of Suzanne De Lima Knowles), who is also the current president and CEO, has run the hotel since the late 1980s. He initiated the social media program with the Roger Smith team in 2006 with the video-based site *Roger Smith News*, which told stories about the interesting community around the hotel. This effort has since evolved into the hotel's video-based blog, www.RogerSmithLife.com.

In the fall of 2008, Brian Simpson, now director of social hospitality, joined the hotel staff to run the restaurant, Lily's. Simpson, who already had personal experience with Twitter, quickly realized that he could use Twitter, as well as Facebook, to interact with guests, build community, and share even more stories created around the hotel.

The social media campaign grew rapidly and organically from there, says Adam Wallace, director of digital marketing. In 2008 the hotel added www.12seconds.tv to promote lunch specials in Lily's with a 12-second video of the plating of the dishes. It also started posting images taken all around the hotel on Flickr. In the years following, the team at the Roger Smith experimented with other platforms and started separate blogs for different areas. For instance, they added a blog and Facebook page dedicated to the LAB Gallery, for those interested specifically in the art initiative. There are now accounts for the Roger Smith Hotel on each major social media platform.

CEO James Knowles encourages individual managers to create their own blogs and Twitter accounts to tell their own stories and build their own networks because they reach different people. "It all encourages word-of-mouth."

The hotel Web site, at www.rogersmith.com (see the nearby figure), is the booking site, with all the basic information about the hotel, events, and Lily's Restaurant. However, their first blog, RogerSmithLife.com, remains the true hub for the hotel's online presence. It presents videos from YouTube, images from Flickr, live broadcasts from Ustream.com, an events schedule from Google Calendar, and blog posts about everything happening around the hotel.

Over time, the media channels have become more strategically focused. "We use Twitter and Facebook to build relationships and community, and to share the content that goes on the blog and other media channels. Each site has a different role and each site has been important to our online presence," Wallace explains.

The combination of media and direct personal communication has helped the hotel build an active, supportive, and somewhat unexpected following. Although it began using social media to distribute artistic and narrative content, the hotel's expanded social media program has actually increased revenue from room bookings, private events, and restaurant usage.

The hotel's extensive social media program itself has become a form of promotion. It hosts many public events related to social media that, in turn, help build its reputation. "We have gained exposure nationally largely through word-of-mouth in our social channels, but also from attending and speaking at conferences around the country," notes Wallace. Speaking with other thought leaders, he adds, is a great way to share ideas.

Content for social media comes from many sources: employees; guests and visitors who post videos, photos, and blog entries and casually produced videos shot with Flip Video cameras, for example. Professional video comes from Panman Productions, an in-house production company. The production company handles live broadcasts, films events, and produces featured video content and stories.

"We have a great team of people involved with our online activity at the hotel," says Wallace. His full-time position managing digital marketing includes work on the Web site, blog, and various social media channels. Simpson manages Twitter outreach and is active on all the hotel's social media initiatives. John Knowles and the Panman Productions team contribute video and live stream content, while Matt Semler runs the LAB Gallery for Installation and Performance Art, and manages the LAB's online presence. Add to that, many other managers who interact with the public via Twitter, blogs, Facebook, and other channels.

"It is a lot of channels to manage," Wallace acknowledges, but it "is great to have an enthusiastic team across the board. We do not generally schedule content, but rather produce content as things come up...When there are big events, we will announce the event, cover the events with a live broadcast, and then document the event." The hotel maintains an extensive archive of stories about the various personalities at the hotel and content related to the arts.

In spite of the complexity of multiple channels, Wallace tries to keep things simple. He doesn't actively use syndication tools for all postings, but has done some syndication with Tumblr. com for blogs, uses TweetDeck as a Twitter dashboard, and is experimenting with Postling to post content on multiple services. The team also created a list of all of the hotel's accounts on www.RogerSmithnews.com, which helps

them jump to anyone's personal accounts to see what is being said.

"For us, it is not about sophisticated tools, it is about connecting with people and telling stories. There are tools that can help with this, but for the most part, you can do a lot and generally be more human with the basic posting tools," Wallace contends.

For metrics, the Roger Smith relies primarily on Google Analytics, but has installed Omniture on the hotel site. "We see a lot of incoming traffic to our blog from Twitter and some from Facebook. We track room bookings through a promo code and also word-of-mouth mentions on calls." The 10% discount offered on Twitter, Facebook, and the blog helps with tracking, while benefiting those who tie into the social media network.

The hotel generally eschews sophisticated monitoring tools, relying on the staff's own constant online presence, plus Google Alerts, to see new blog posts and social web mentions. They have just added Revinat, a new tool specifically for hotels, to monitor social media.

The hotel doesn't invest much in traditional advertising campaigns but incorporates some additional online marketing. It runs a limited PPC campaign, basic SEO on the booking site, and two e-mail marketing campaigns — one with monthly room specials and packages and another with event announcements and arts programming.

Other than that, the company does a lot of cross-promotion, with Twitter and Facebook logos on the Web sites and in its e-mail signatures. It even places logos for its social media sites in elevators, and includes all the links on the hotel's Wi-Fi login page.

Wallace is unabashedly enthusiastic about social media. "We are learning new things and experimenting every day...We are not afraid if one initiative does not work as well as others."

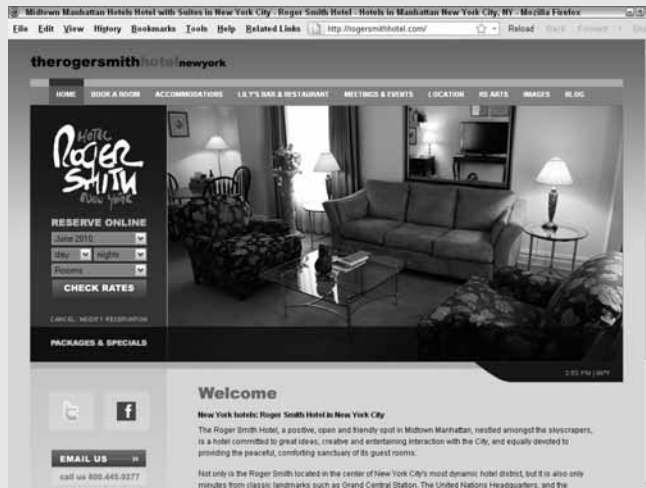
(continued)

(continued)

He advises other companies to follow the hotel's lead. "Don't be scared to try things... Focus on people and stories and [try] not to get caught up on complicated plans and sophisticated tools."

URLs for Roger Smith Hotel's Web Presence

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| http://rogersmith.com (primary Web site) | http://rogersmithlife.com (primary blog and six other blogs) |
| http://twitter.com/rshotel (and 16 other personal Twitter accounts) | www.facebook.com/rogersmithhotel |
| www.facebook.com/pages/New-York-NY/Roger-Smith-News-20/38572720863?ref=ts | www.facebook.com/thelabgallery |
| www.flickr.com/photos/rogersmithhotel | http://12seconds.tv/channel/rogersmithhotel www.youtube.com/user/rogersmithnews |
| www.youtube.com/user/panmanproductions | www.ustream.tv/discovery/live/all?q=roger+smith+hotel |
| http://vimeo.com/groups/rogersmithshorts | www.yelp.com/biz/lilys-restaurant-and-bar-new-york |
| www.tripadvisor.com/Hotel_Review-g60763-d80107-Reviews-Roger_Smith_Hotel-New_York_City_New_York.html | |



Courtesy Roger Smith Hotel