



AM> | 2018 STATE OF MARKETING
Social Media

The Social Media whitepaper is part of the 2018 State of Marketing reporting.

On behalf of the San Diego Chapter of the American Marketing Association, Q2 Insights and FreshForm teamed up produce a multi-year Qualitative Research study on the state of marketing in the U.S. from the San Diego perspective. In 2018 a total of 40 high-profile corporate marketing and non-profit executives from a broad spectrum of 35 small, medium, and large Business to Consumer (B2C) and Business to Business (B2B) organizations participated in the State of Marketing Study. A total of 38 interviews were conducted in 2017. In 2018 a small number of the interviews were conducted with agencies. The study is designed to describe inspiring marketing practices, trends in marketing and the state of marketing today.

The full version of the report can be downloaded at www.sdama.org/report

Social Media

Social media is critical to the marketing mix at both B2C and B2C companies. All brands are using social media in some way to engage with potential and existing customers. The primary differences between companies lie in the allocation of time, budget, and resources. Social media is described by most as cost effective, having excellent targeting capabilities, and providing a platform for authenticity.

“Everything will always involve social media, I do not see it going anywhere.”

VANESSA ALLEN
DIVERSYFUND

While Facebook, Instagram, Pinterest and Twitter are the most frequently used platforms, relative to 2017, Instagram and Pinterest are now used more widely. More B2B and some B2C companies are also using LinkedIn. Each platform is used in unique ways.

“We want to build a community that engages with us on their terms. Social media allows us to reach consumers in places they find comfortable, engaging and entertaining. We cast a wide net through multiple channels, but the message is consistent. Our followers turn to Eagle Creek for travel inspiration and products and we are happy to oblige!”

MONICA RIGALI
EAGLE CREEK

Maintaining customer relationships on social media starts with replying to both positive and negative comments. An issue that multiple businesses report is the reactive and viral nature of social media can be a blessing and a pitfall. To successfully leverage social media, many companies emphasize the need to vigilantly maintain it.

“That’s the thing about social media. Everybody has a voice at their fingertips.”

BOB TANNER
SECTOR 9 SKATEBOARD CO.

An advantage of social media marketing is how far a small investment can go. One company only had a \$1000 budget to boost social media posts. They invested some of their money into boosting posts, and the rest on investing in a prize package. This \$1,000 expenditure resulted in a 50% increase in social media following. The same company also emphasized that boosting social media posts can take as little as \$10 and go a long way.

Multi-Platform Social Media Use

Social media marketing is no small undertaking. Considerable time and resources are required for each platform. Without the right talent and team to manage social media, organizations are exposing themselves to risk. Smaller staffs find it difficult to monitor multiple platforms effectively.

Marketing strategies vary in platform usage and focus. Allocation of internal and external resources allows some brands to be ever-present on all platforms, while some find success in focusing all their efforts on one or two platforms.

- A lifestyle brand views all their social media platforms as a “multi-component world” that shares video, gifs, photographs, and text with specified geo targets, psychographic targets, and other classification factors.
- One news and media organization refers to their robust, multi-platform social media usage including Twitter, Instagram, Facebook and LinkedIn as part of their product offering.
- An academic institution uses social media as a means to expand their traditional and digital advertising campaign reach.

Multi-Page Use

Some companies use multiple pages within one Social Media platform to allow for more concentrated efforts. For example:

- Companies with multiple locations have decided to create separate Facebook and/or LinkedIn pages to allow for more targeted conversations that are specific to each location
- Facebook company pages and high-level executive “personal” pages are being managed by marketing teams
- LinkedIn allows companies to showcase products with their own page
- Instagram newsfeeds and their Snapchat-like feature Instagram Stories allows brands to post more content that disappears after 24-hours

“We use Facebook a bit. Less for lead generation and more as part of the full media integration that we utilize. It has been our lowest converting channel, but every time we strip it back too far we see every channel we have drop. We know people are on Facebook even if they are not necessarily there to fill out a form or engage directly with our brand.”

MIKE HAMMEL
VISTAGE

Facebook

With over two billion active monthly users, Facebook is the primary social media platform used by marketers, especially those with B2C brands. Marketing activities include both unpaid activity (company pages, product pages, organic posts, and consumer engagement) and paid activity (sponsored advertising). The goals of Facebook usage include gaining followers, increasing traffic to a website, increasing overall brand awareness, and increasing product sales.

Brands are using Facebook for marketing in a variety of ways:

- Paid advertising is increasingly more common among B2C marketers. Three years ago, a San Diego academic institution allocated very little budget dollars to Facebook advertising. Today the organization is spending close to one million dollars a month. Facebook is “the number one lead driver,” outperforming Google, all other search engines, other forms of advertising, and organic web traffic.

- A brand in the travel and tourism industry garners organic customer and event attendee engagement. Viral marketing is encouraged by having people share their experiences on Facebook and check-in online when they get to an event.
- An executive coaching organization uses Facebook as a “Wiki” for their product offering. While Facebook is the least used channel for conversion, when resources are pointed elsewhere there are noticeable drops in outreach efficacy.

While Facebook has become one of the biggest and most consistent tools for lead generation, many are seeing changes in user presence and behaviors. With the increasing number of social media platforms available, consumers, specifically Millennials, are choosing to spend their time on other social media platforms and less time on Facebook. Some marketers do not see a future where Facebook is not relevant, but others are securing a presence on other platforms to ensure their brand exists wherever consumers spend their time.

Facebook is used in support of other channels in B2B lead generation although Facebook is not used for lead generation. Omitting Facebook from the mix can result in less engagement on other social channels.

One academic institution is implementing plans to expand their social media presence in an effort to “be everywhere.” The goal is to diversify the brand and make each social media platform work.

“We are trying to play the whole table so that as populations shift and move in different directions, the assumption is that we will always be there.”

SETH ODELL
NATIONAL UNIVERSITY

LinkedIn

LinkedIn is the most useful social media platform for B2B marketers. When on LinkedIn, members are described as having the “right mindset” or a “professional mindset” that is more susceptible to business-related engagements. Similar to Facebook, LinkedIn is used for unpaid activity (company pages, product pages, organic posts and consumer engagement) and paid activity (sponsored advertising and InMail messaging).

“We leverage LinkedIn across all of the products that we offer. We have people here internally who are doing one-to-one outreach through In-Mails. We also use their advertising platform for text-based ads. It is the heaviest investment in terms of the challenges that we use right now.”

MIKE HAMMEL
VISTAGE

- A food & beverage brand and several biotech organizations use LinkedIn differently from other social media platforms. For these companies the goal is to attract internal employee engagement, increase employee retention, and reach potential employees. By supporting human resources in hiring efforts and hires, these brands are noticing higher quality applicants, and more engaged employees. A biotech organization recently built up their following on LinkedIn by 20,000 and more than doubled their CEO’s following with the overall strategy, less so to engage with customers, but excite employees and attract new employees.

- Relevancy to the LinkedIn platform is important for a San Diego based news and media organization when encouraging engagement. The brand is hyper aware that all their content is not suitable for LinkedIn, when members are looking for business, work, and job-related content. By sharing less frequent but more relevant content the brand is able to ask questions and create dialogues with followers.
- For a business advisory & executive coaching organization LinkedIn is leveraged for each product offering. This organization places their highest social media investment on LinkedIn's advertising platform for sponsored content, texted-based advertisements and company updates, while employees also use the platform for one-on-one conversations and relationship building.
- Sponsored InMail messages and advertisements have proven successful for one financial company. Use of LinkedIn has resulted in increased brand awareness, consideration, and lead generation.
- A B2B and B2C organization uses LinkedIn to show off company culture. Through photo and video displays on these sorts of applications, this company strives to create a sense of authenticity in a fun way.

LinkedIn Navigator is described as a great tool for B2B marketers that allows companies to send more InMail messages, aggregate individual or personal connections into the company account, and identify new contacts and their relevant connections.

Instagram

Instagram is used by marketers to tell their brand story. This more creative platform allows companies to showcase their latest accomplishments, share industry best practices, and provide thought leadership in a fun and visual way. Potential for marketers is growing in Instagram as new features are developed and optimized including Instagram Stories and allowing followers to shop and swipe within the application.

- A B2B and B2C company leverages social media through free, user-generated and customer generated re-shares on Instagram. Using a simple hashtag, this company will repost customer generated content such as selfies, product images or creative displays. They report that not only is this technique cost effective, but it creates a closer relationship with customers in contrast to a post generated to boost sales. When most users see a company generated post, they automatically relate the content to a selling driven post. A user repost is typically associated with authenticity and creativity.
- Instagram is the fastest growing social media outlet for a San Diego based news and media company. The entire staff participates in content creation for Instagram. The brand also uses Instagram for client contests and giveaways. For example, a client can offer up a free dinner, a hotel stay, or tickets to an upcoming event and the publication will use their Instagram account for outreach, engagement, and contest entries.
- A lifestyle brand uses Instagram to inspire new target audiences and introduce them to the brand in an emotionally relevant way. The brand found that the traditional

approach of combining Facebook and email did not facilitate growth. On the other hand, Instagram has allowed them to discover, entertain, and introduce new targets to the brand. The brand also partners with influencers who already have their target audience's attention on Instagram in an effort to promote the brand. With just one partnership the brand grew their number of Instagram followers from 17,000 to 52,000 in one week.

- A biotech brand used Instagram to spread the latest news and research. This effort has piqued interest from media outlets and has garnered exposure outside of social media.
- A consumer goods brand uses the platform as the primary visual connection for their product offering.
- From an agency perspective, having a presence on Instagram is a “must do” to stay in line with modern day expectations.

Pinterest

Pinterest is gaining momentum in marketing circles although not as much as Instagram.

- Pinterest is the number one traffic resource from a social media perspective for one food & beverage brand. The brand has adopted the belief that those on Pinterest are using the platform as a space to learn and understand how things work. With this notion, there is opportunity for growth in this platform.
- A San Diego news and media publication uses Pinterest to share photos included in their latest issues. While this platform has potential, the brand does not see the growth experienced with Instagram. It was suggested this is due to additional time and resources needed to adapt and optimize content for Pinterest.

Twitter

Twitter does not appear to be widely used by San Diego brands for marketing.

- One exception is a business advisory & executive coaching organization that uses Twitter for content promotion. The organization uses Twitter to send content to influencers. Also, their Chief Executive Officer (CEO) is very active on Twitter, particularly when attending events and participating in speaking engagements. For this brand, Twitter is also used as a means to “get a first hand understanding of our customers.”

Snapchat

Few have found effective ways to utilize Snapchat. For those who have, Snapchat stories are used to show off company culture and behind the scenes videos.

- A food & beverage brand adapted their LinkedIn strategy for Snapchat to show their company culture, share who they are, what they do, and why it is a great place to work. They have daily jokes that involve the customer service team, “a day in the life” takeover to show what it is like to work as a project manager or marketer. This allows potential employees to see a glimpse of what it is like to work at the company. Snapchat is also used to share “behind the scenes” details about events, sponsorships and networking.
- One academic institution uses Snapchat to receive content from students. They then feed relevant information into their communication channels.

YouTube

There are astounding numbers of video uploads every second on YouTube. 300 hours of video are uploaded to YouTube every minute and more than 5 billion videos are watched on YouTube every single day. However, YouTube is not a primary source for social media marketing.

- For one news and media organization, YouTube is a means to share video content, “when they have it.” This does not occur regularly due to the expense involved with producing a high-quality video.
- A brand in the food & beverage industry acknowledges the growth in video content over the past few years and have hired specialized talent to jump start the use of video for the organization. While video creation and execution takes time, the brand sees value in this effort and is excited to see this unfold in the near future.

Blogs Posts on Social Media

Sharing blog content to create an emotional connection with consumers is an important aspect of Social Media. The blog posts from one consumer goods brand cover topics such as DIY tips and relevant current events. Blogs are designed to draw consumers to their website to expose them to branding and engender a sense that the brand is trustworthy. While the customer may not be ready to purchase when reading a blog post, the posts create brand awareness, consideration, and help shape brand image.

Influencers

Social micro-influencers are used for audience building. An e-commerce brand suggested use of social media works only when there is enough audience to influence. Before targeting and other strategies can be developed this company focuses on building audiences within platforms. By leveraging and collaborating with influencers who already have a social following in place, the company can increase conversations about the brand and promote their product offering. This piggybacking has allowed the brand to be successful on multiple platforms without having to start from scratch.

Conclusion

While social media is crucial to the marketing mix at both B2C and B2C companies, the landscape is changing at a rapid pace. Facebook remains an important tool for many brands but user presence and behaviors are changing with many opting to use other platforms. Instagram, Pinterest, Twitter, and LinkedIn are rising in prominence. While social media is inexpensive, the resources required to execute social media well are considerable, and the having the right team in place is essential. Each platform is used in unique ways and which platforms to use must be balanced against the brand goals.

A comprehensive version of the 2018 State of Marketing Report from the San Diego Chapter of the American Marketing Association (AMA) can be downloaded at www.sdama.org/report



Q2 Insights

Experts in marketing research, Q2 Insights delivers information vital to strategic and tactical brand decisions. We blend cutting-edge innovation work with a full-spectrum of research methodologies—all totally customized to your goals. From insights that help drive positioning and branding, brand assessments, advertising studies, customer experience studies to statistically driven studies such as marketing size and potential, pricing, satisfaction, and segmentation, we do it all across a wide range of categories.

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FreshForm.

FreshForm is an experience design and innovation consultancy. We create, manage and measure customer and employee experiences. We use a people-centered approach to create personal connections and value for a wide array of innovative Fortune 500s, world-renowned universities, and growth-oriented businesses.

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| San Diego

The San Diego Chapter of the American Marketing Association (AMA) is the organization for high-performing marketers who are serious about furthering their careers. AMA San Diego is the only education- and networking-focused organization that provides information, resources, international presence and valuable connections in a fun, approachable environment where its members can achieve their personal development goals.

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