

Amplify Your Social Media Business Case Beyond Marketing

Business Case: The Social Marketing Playbook

by Erna Alfred Liouas

February 22, 2016



Why Read This Report

Social marketing's evolution is fast and furious. Unfortunately, B2C marketers aren't moving at the same speed when it comes to building viable social marketing business cases. These cases require data, but how do you get data if you can't get your initiative funded? Read this report to learn four types of accessible data to increase the viability of your case and pave the way for success.

This is an update of a previously published report "Get Approval To Fund Your Social Marketing Initiative." Forrester reviews and updates reports periodically for continued relevance and accuracy; we revised this edition to factor in new examples and data.

Key Takeaways

Advance Your Social Business Case With Four Data Inputs

Build a firm foundation and secure buy-in for your social business case with four diverse data inputs. Authentic audience insights, competitive industry benchmarks, credible third-party research, and internal pilot data combine to establish a risk-balanced portrait of social marketing opportunity.

Hone In On The Hidden Costs And Benefits

Craft a transparent social marketing case with the inclusion of often underestimated costs, such as seat licenses, professional services such as legal, dedicated people resources, content and media support, measurement, and reporting costs. Articulate the social marketing benefits that often span the enterprise -- from increased audience understanding to lowered service costs.

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Forrester interviewed 12 vendor and user companies, including Adobe, Blue Cross Blue Shield of Massachusetts, Marketo, Rise Interactive, and Wpromote.

Related Research Documents

[The POST Process Drives Social Success](#)

[The Right Way To Measure Social Marketing](#)

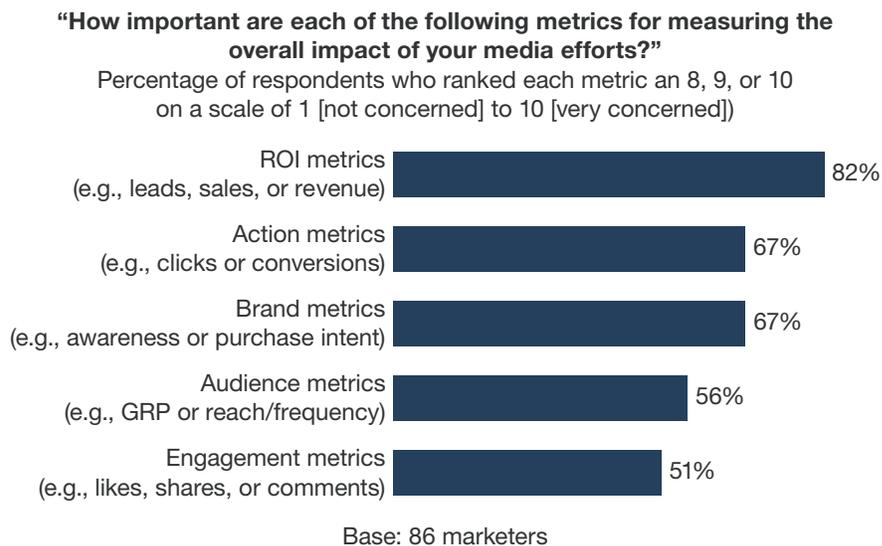
[The Road Map To Integrated Social Intelligence](#)

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Lack Of ROI Rigor Limits Social Marketing Potential

When it comes to proving social marketing's potential for your organization, it pays to understand how stakeholders evaluate opportunities. For instance, paid media success is gauged by media's return on investment (see Figure 1). Social marketers may rightly balk at the blunt comparison, as social marketing goes well beyond paid media. But social marketers' struggle to prove return on investment (ROI) explains the disconnect between their perception of social marketing's success versus that of their organization's management.¹ Avoid dissonance by crafting a social marketing business case that addresses ROI as well as broader marketing contributions.

FIGURE 1 ROI Metrics Are Most Important For Measuring Media Efforts, According To Marketers

Source: 2014 ANA/Forrester: Media Buying's Evolution Challenges Marketers Survey

Bolster A Social Business Case With Key Data Sources

Commit to a rigorous social marketing business case that defines the path to ROI before embarking on your social marketing initiative at scale. Set the stage for your proposal with input data that elucidates your current and potential social marketing state (see Figure 2). To build your social business case, leverage:

- › **Audience insights from listening and analytics platforms.** These tools provide a twofold benefit. First, marketers use data derived from social conversations to define the social marketing potential for their brand. Volume data suggests consumer interest and scale. Sentiment data sheds light on reputational standing. Audience data identifies target insights and brand influencers. Use this data to

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establish your contextual starting point. Second, social listening data can serve as the differentiated enabler of your effort. A retailer matched authors of social conversations about the brand to customer records in its database, resulting in more effective targeting.² Consider demonstrating this double duty to strengthen your case for investing in a social relationship platform.³

- › **Competitive benchmarks that highlight your brand differentiators.** A competitive strengths, weaknesses, opportunities, and threats (SWOT) analysis or scorecard is mandatory if you are driving brand differentiation. Set up social listening queries that compare your brand to competitors. Tap agencies for category social engagement and campaign analysis. But avoid blindly overemphasizing specific competitive tactics. Many agency leaders lamented that the “Oreo cookie moment” did a disservice to social marketing’s potential when hordes of brands demanded similar results without a social strategy and resources in place.⁴
- › **Third-party research to provide an objective perspective.** Sources matter. Data from third-party research firms, publications, and/or technology vendors provide credibility that is highly persuasive with key stakeholders. A vice president of digital marketing told us that data from a third-party analyst firm was the primary reason her business case for a social marketing headcount was approved: “The CMO could not argue research from a credible source.”
- › **Low-risk mini-pilots for directional benchmark data.** Business cases often suffer from the chicken-and-egg conundrum; you need a business case to execute a program to get the data to build the business case. Shortcut this challenge with a cautious test, such as a small social media advertising buy. Adobe’s Cory Edwards, director, social media center of excellence, supports this approach, stating: “Being innovative and trying new things is accepted and encouraged. Positioning social programs as pilots rather than new, formal programs is a wise approach.”

FIGURE 2 Build Your Social Marketing Business Case With These Key Data Sources

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Package Your Business Case With A Holistic Approach

Avoid articulating the ROI of a standalone social initiative. Instead, tell the story of social's impact by connecting the social marketing initiative to your overall marketing ecosystem and the customer lifecycle.⁵ For example, a social marketing initiative may extend the reach of an existing campaign, such as a TV buy that struggles to reach cord-cutting Millennials. Or, a social marketing initiative may drive deeper exploration of your brand and products by integrating ratings and reviews with a brand's online product catalog. Social marketing budgets are easier to cut than TV budgets; secure your funding with a methodical case that shows indisputable value above the costs.

Prove How Social Marketing Drives Benefits Through Amplification And Understanding

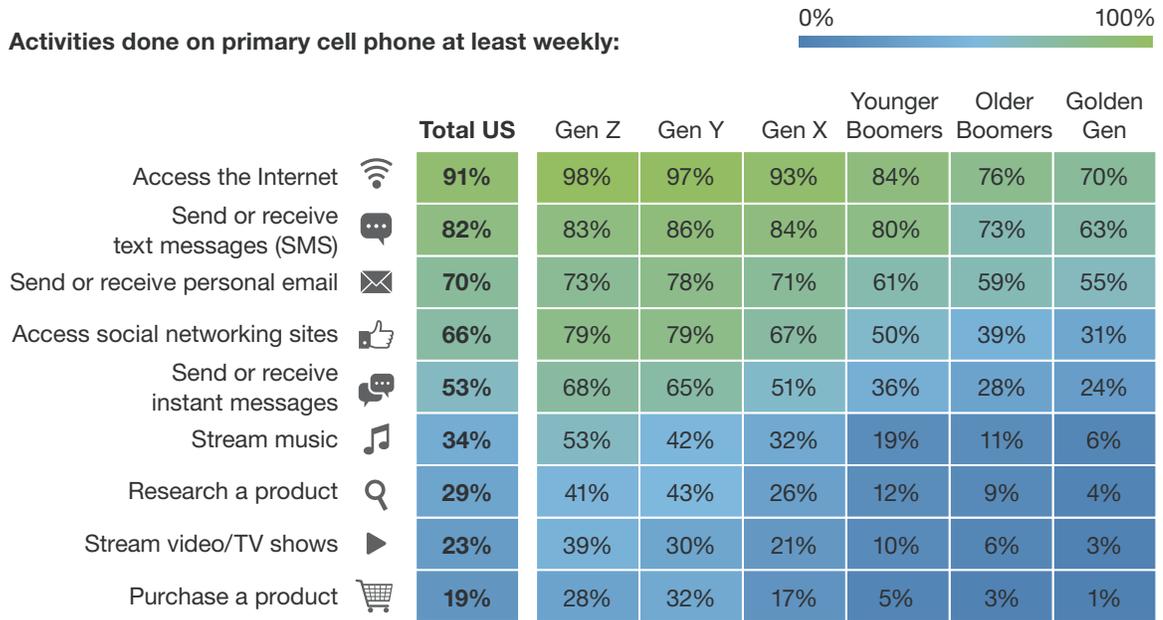
The early days of social marketing contended with consumers tethered to Facebook pages via a PC. Today, US online adults use their mobile phones pervasively, including accessing social media sites on the go (see Figure 3). This “always on” consumer provides B2C marketers with expanded marketing opportunities. Take advantage of this by positioning your social business case to show how you will:

- › **Tap into social media's ability to amplify customer engagement.** Observe your customers' engagement practices with brands, especially as they research purchases. This reveals opportunities for valued customer conversations. Lou Amodeo, director, customer experience at Rise Interactive, analyzed data across digital channels to understand customer demand for content related to household cleaning for a client new to social media. He found customers engaged most with “life hacks” content, and his analysis informed the development of new website content that provided tips and tricks to make cleaning easier. Additionally, the team used social media to share life hack content. The overarching project helped the client gain previously lost market share.
- › **Further audience understanding by overlaying social behaviors and affinities.** Review how your company currently builds audience understanding. If social data is not a component, advocate its use through your initiative, because it provides access to brand benefits such as unprompted customer opinions and affinity data. These data types can inform customer profiles and personas with current and unbiased information.⁶

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FIGURE 3 US Online Adults Use Their Mobile Devices As Information Hubs



Base: 43,024 US online adults (18+) whose primary mobile phone is a smartphone

Source: Forrester’s North American Consumer Technographics® Online Benchmark Survey (Part 1), 2015

Next, Align Your Social Marketing Initiative With A Business Objective

Building your social marketing business case entails connecting your objective to what your stakeholders care about — their own business objectives. According to Adobe’s Edwards, neglecting to integrate a social endeavor into the larger business strategy reduces the effectiveness of social marketing initiatives. Avoid this by:

- › **Identifying the business goal(s) your social initiative supports.** Your proposal should clarify your business goals and show how your social marketing initiative positively impacts corporate and broader complementary goals. Does your initiative help reach new audiences or create stronger customer relationships?⁷ Can you position the initiative in a manner that makes it attractive to constituents, thus gaining their support? When marketing automation provider Marketo ventured into building a “Marketing Nation,” a community-based resource for marketers, Scott K. Wilder, Marketo’s senior director and global nation builder, asked his colleagues to define their vision of community. By positioning the project in terms of how they saw it meeting their needs, Scott united Marketo around a common vision for the project.
- › **Developing metrics to show how social marketing drives business actions.** If your objective is to provide reach and you launch a paid social advertising campaign, measure the audience you reach and the actions they take afterwards. If depth is your objective, add ratings and reviews

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to your eCommerce site and measure the increase in sales volume. If your objective is focused on loyalty, identify the value created through efforts such as social customer care. Is it loyalty, increased sales, or overall lifetime value? JetBlue uses pre- and post-tone interactions, NPS, and J.D. Power scores to assess the impact of its care efforts.⁸

Identify Other Stakeholders That Benefit From Your Social Investment

Oftentimes, marketers mistakenly omit indirect internal supporters from their business cases. These supporters are potential partners who can strengthen your case. Make sure your business case incorporates:

- › **Indirect beneficiaries.** JetBlue's Laurie Meacham, manager, customer commitment, recalls approaching a colleague for support prior to presenting her business case to management. This colleague oversaw solicited and unsolicited customer feedback via surveys and emails, and understood social's potential as another channel for unsolicited feedback. Laurie detailed the benefits of pairing social data with existing data, thus creating a holistic picture for the stakeholder. The result? The backing and support of a new key partner.
- › **Business intelligence teams.** As the marketing stack increases in complexity, maintaining a collaborative partnership with internal technical teams is crucial. Each technology platform can surface information leading to insights across product, customer service, operations, marketing, and human resources teams. Customer intelligence and your business technology counterparts often lead efforts to harness and share this data.⁹ JetBlue's social customer care team relies on its customer intelligence team to harness the multiple sources of data used across the company. At Adobe, the marketing insights organization analyzes where social fits into the marketing mix model.

Analyze Unique Costs And Risks Associated With Social Marketing

Your social marketing business case must balance benefits and risk. Include analysis of the specific costs you will incur, the benefits you will achieve, and the risks you may encounter for your social marketing initiative. To do this successfully, you must have:

- › **Rigor around all costs, especially hidden costs.** Investments such as an influencer platform incur fees for seat licenses, value-added service, professional services, and setup. Dedicated marketing resources such as an internal community manager or agency resource are necessary. Add this to content creation, media support, measurement, and reporting costs, and include resources such as legal and team training. Add support from your business technology counterparts to administer the platform and integrate it with existing systems. Forrester's Total Economic Impact™ (TEI) model highlights key inclusion data for technology investments.¹⁰
- › **Focus on multiple categories of benefits.** Benefits can be tangible or intangible; however, you must remain invested in your explanation. Go the extra mile. Be specific and detail how benefits tie back to your objectives, to create a clear story with positive impact. Adobe's Edwards shared one benefit derived from his team's business case: a deeper understanding of audience content

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consumption. The initiative shed light on the types of social engagements that drive people back to Adobe.com. With this data, his team could see if engagement led to greater downloads of software trials or marketing whitepapers to better understand the effect on the sales process.

› **Awareness of risks associated with implementing and not implementing your initiative.**

Identify the risks of both implementing and not implementing your initiative. Maria Saltz, Adobe's senior manager of social media analytics, shares that Adobe is in constant pilot mode when it comes to adding new APIs to its marketing platform. If budget is available, she makes her case by clearly stating her objective, the competitive environment, the advantage the API will provide downstream, and what happens if the API is not integrated.

Recommendations

Let Your Stakeholders Sell Your Social Marketing Business Case

B2C marketers can build thorough business cases, but without audience understanding, they won't generate success. To increase the likelihood of C-suite buy-in, you must:

- › **Educate your key stakeholders on your social initiative.** Prepare yourself and your stakeholders; otherwise, you risk disappointment — not because you did not do a good job pulling together all of the elements, but because your audience did not have the context surrounding your initiative. One marketing leader states, “The planning process is more about buying into the idea than about the funding process.”
- › **Recruit key influencers to your cause.** Every organization has an influencer or two closely connected to the CMO. Partner with these individuals early on as you begin to build your business case. Ask for their presence as you make your appeal to key stakeholders. One marketing executive told us she worked very closely with the internal consulting team to make sure they contributed to her proposal before she got it in front of her C-suite.
- › **Tailor your social business case to various stakeholder perspectives.** Your stakeholders have unique perspectives of what should be included in a business case. Adapt your approach depending on attendance. For instance, your CFO may have a hard time accepting a business case without a detailed ROI calculation, or your CMO may want information indicating the impact on brand and sales, while your CIO is focused on the technologies necessary to implement the strategy and their integration with existing marketing platforms. If all of these stakeholders are in the same room, be ready to address each of their needs.

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Supplemental Material

Survey Methodology

Forrester fielded the North American Consumer Technographics® Online Benchmark Survey (Part 1), 2015 in March 2015 of 61,222 US individuals and 6,642 Canadian individuals ages 18 to 88. For results based on a randomly chosen sample of this size (N = 61,222 in the US and N = 6,642 in Canada), there is 95% confidence that the results have a statistical precision of plus or minus 0.4% of what they would be if the entire population of US online adults (defined as those online weekly or more often) had been surveyed and plus or minus 1.2% of what they would be if the entire population of Canadian online adults had been surveyed. Forrester weighted the data by age, gender, income, broadband adoption, and region to demographically represent the adult US and Canadian online populations. The survey sample size, when weighted, was 61,222 in the US and 6,638 in Canada. (Note: Weighted sample sizes can be different from the actual number of respondents to account for individuals generally underrepresented in online panels.) Please note that respondents who participate in online surveys generally have more experience with the Internet and feel more comfortable transacting online.

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Companies Interviewed For This Report

Adobe	MarketingXLerator
Blue Cross Blue Shield of Massachusetts	Marketo
Brown-Forman	NextPrinciples
CSL Behring	Rise Interactive
DEG	Wpromote
JetBlue	Zoetis

Endnotes

- ¹ To navigate the social measurement challenge, see the [“The Right Way To Measure Social Marketing”](#) Forrester report.
- ² Learn how to better use social listening data with the following report. See the [“The Road Map To Integrated Social Intelligence”](#) Forrester report.
- ³ For more information on selecting a social relationship platform vendor, see the [“The Forrester Wave™: Social Relationship Platforms, Q2 2015”](#) Forrester report.
- ⁴ Source: Angela Watercutter, “How Oreo Won The Marketing Super Bowl With A Timely Blackout Ad On Twitter,” Wired, February 4, 2013 (<http://www.wired.com/2013/02/oreo-twitter-super-bowl/>).
- ⁵ Marketers must to take a holistic perspective to their social marketing initiatives by knowing how their social efforts will affect each stage of the customer life cycle. For more information, see the [“Integrate Social Into Your Marketing RaDaR”](#) Forrester report.
- ⁶ To learn how social data can empower your company, see the [“Leverage Social Data To Elevate Customer Intelligence”](#) Forrester report.
- ⁷ To learn about the importance of clearly focusing on your audience and objective when mapping out your social strategy, see the [“The POST Process Drives Social Success”](#) Forrester report.
- ⁸ Net Promoter and NPS are registered service marks, and Net Promoter Score is a service mark, of Bain & Company, Satmetrix Systems, and Fred Reichheld.
- ⁹ To learn how business technology teams focus on technology investments across the customer life cycle, see the [“Top Technologies For Your BT Agenda”](#) Forrester report.
- ¹⁰ Forrester uses a defined methodology for analyzing and evaluating the costs, benefits, and risks of a proposed solution. This methodology, termed Total Economic Impact (TEI), provides a holistic view of the decision by including an analysis of costs, benefits, flexibility, and risk. By including an assessment of risk, TEI provides a realistic view of expected outcomes rather than one shaded by early optimism and enthusiasm. See the [“The ROI Of ‘Owner’ Communities”](#) Forrester report.

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