

Adding social media to the marketing mix

A comparison of advertising and word of mouth shows that social media obey very different rules from traditional advertising.

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Until recently, when you wanted to publicize your company or its products, you would launch an advertising campaign in traditional media, engage in some corporate communications and PR, and run promotions and point-of-sale activities. Savvy marketers would add online advertising and might even try to monitor their online positioning and Web traffic through search engine marketing (SEM) and search engine optimization (SEO).

Now, with the emergence of social networks, such actions seem almost quaint. These days, you don't even exist in consumers' minds unless you chat with them on Twitter, have followers in Facebook or publish a blog. Using Gross Rating Points (GRPs) to measure your advertising impact is so last century; what matters today are how many "likes" you're getting. Advertising agencies are touting creative new apps, which they say will help you keep customers.

Some say we are witnessing a revolution that will change the way we do marketing; that social network marketing has made traditional advertising obsolete. But before we get too carried away by the hype, we need to examine the evidence.

The rise of all things social

In a very short time, social media have captured market share and attention among all kinds of consumers and companies. According to ComScore, 84 percent of European Internet users belong to at least one social network, and the number of visitors to social networking sites is

growing by the month, reports Nielsen. To give an idea of just how quickly, in April 2010 social media were being used by 24 percent more people than in April 2009, while hours spent per user was up 66 percent.

Because social networking requires time and active engagement, it competes directly with traditional media for share of consumption and attention. Part of the time people used to spend on traditional media is now being spent on social media. Given this change in consumption habits and the fact that social media are more interactive, there is a danger that messages sent using traditional advertising will fall flat.

Take the Oscars: The 2011 Academy Awards counted four million fewer viewers than the previous year, especially among 18 to 49 year olds, whose audience share dropped 12 percent. Meanwhile, hundreds of thousands of Twitter users broadcast their impressions of the ceremony live. Quite simply, many viewers preferred to interact through social media, sharing their thoughts, opinions, criticisms and suggestions. They wanted dialogue, not a monologue delivered from the stage.

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