

SOCIAL MEDIA BENCHMARK: WAVE TWO REPORT

How businesses are adapting to, investing in
and drawing value from social media

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FOREWORD

Social media has opened up a whole new world for marketers, who are now able to communicate with peers, customers and potential consumers in ways that would never have previously been imaginable, let alone possible. Whether you use it as a tool to create personality behind your brand, to create relationships that you may otherwise never gain or to monitor what's happening in your wider market, the potential is infinite. But there are also challenges, risks and barriers to negotiate.

The Social Media Benchmark is a six-monthly study analysing how marketers are adapting to, investing in and getting value from social media. Produced by The Chartered Institute of Marketing and supported by Ipsos ASI, Bloomberg, Bazaarvoice and GfM, our goal is to produce the definitive guide to the changing role and potential of social media in business.

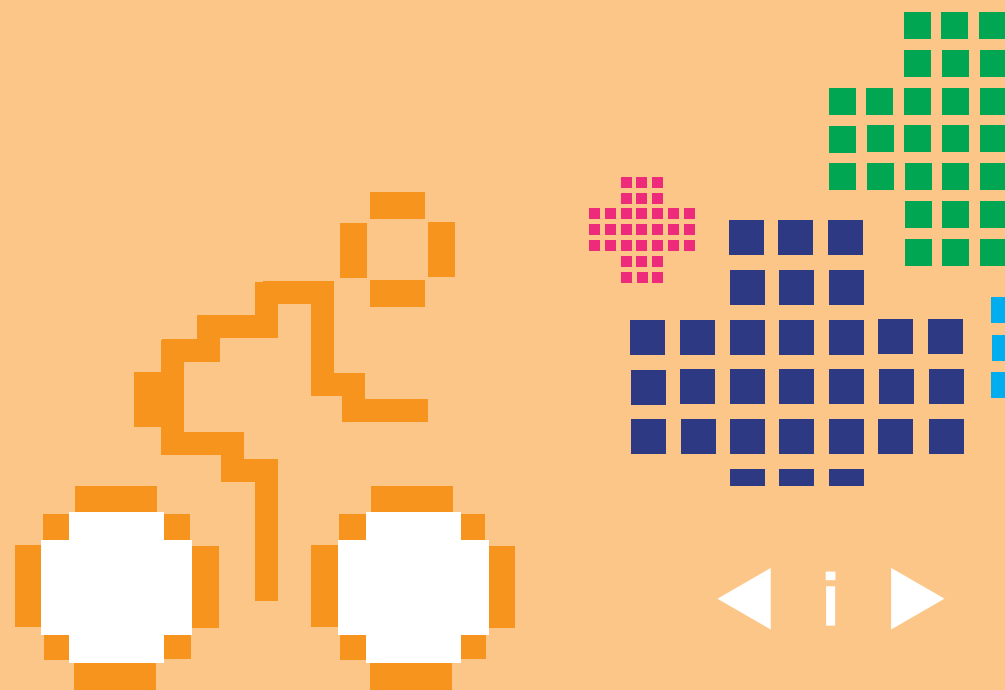
This second wave of the benchmark should be of particular interest to the business community because it has given us our first chance to spot trends, as well as exploring fresh themes, such as how marketers are using social media personally, as well as the thorny issues around data, privacy and regulation.

This is the only study of its kind, which is why our reports are already receiving widespread coverage and are fast gaining a reputation as both innovative and authoritative.

Thomas Brown
Head of Insights
The Chartered Institute of Marketing

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Our goal is to produce
the definitive guide to
the changing role and
potential of social media
in business.



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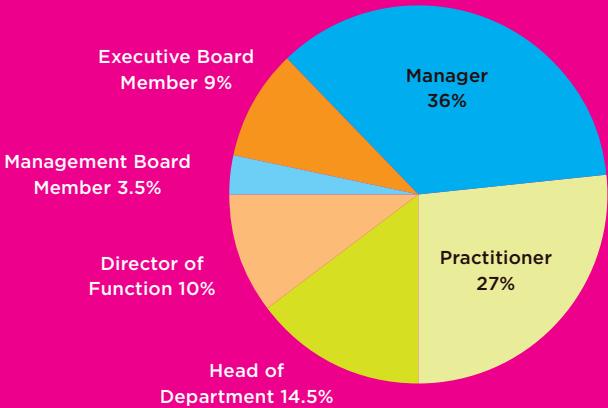
WHO TOOK PART?

The second wave of the Social Media Benchmark was conducted over a six-week period during March and April 2012. Responses came from over 2,000 marketers, most of whom are based in the UK and Western Europe with the majority heavily involved in their organisation’s social media efforts.

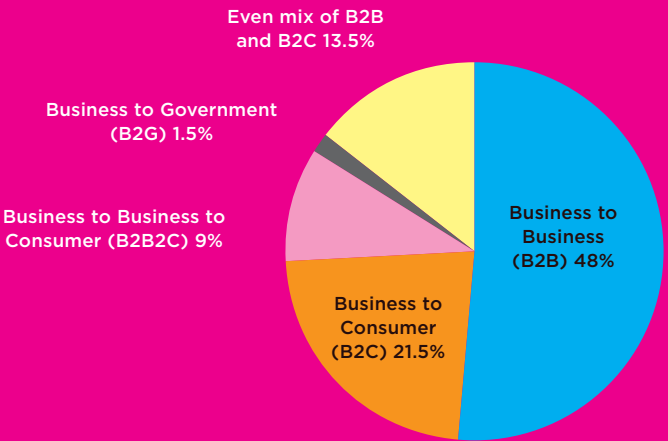
Participants were purposefully selected from a broad mix of industry sectors and company sizes, ranging from independent consultants and SMEs to blue-chip corporates. These

organisations are mainly international in nature, spanning UK, Europe, Africa and Asia. Half of them are B2B focused, while the remainder operate in B2C, B2C, B2B2C and B2G. There is balanced participation across all levels of seniority – 27% practitioners, 36% manager and 37% heads of department and above.

Respondents’ current management level



And company’s primary business orientation



EXECUTIVE SUMMARY

“Activate your fans, don’t just collect them like baseball cards,” Jay Baer of Convince & Convert famously said. Wave two of the Social Media Benchmark reveals that many marketers continue to do exactly this, even in huge global companies, and that they make many other mistakes aside.

So what exactly are marketers getting wrong when it comes to social media? Where are they making headway? And what do they see as the key challenges both now and in the future?

This second wave of the Social Media Benchmark not only drills down into more detail on the key issues

uncovered in the first wave, but it also explores brand new areas. The result is a thought-provoking report that delves into six key areas:

- How marketers use social media personally, and how this impacts their approach at work.
- How businesses are using, investing in and resourcing behind social media.
- Analysis of skills and talent – exploring digital capabilities, social media skills and competencies and how businesses are nurturing talent.
- Data, privacy and regulation – marketers’ knowledge and risks to business.

“Activate your fans, don’t just collect them like baseball cards.”

Jay Baer
Convince & Convert

EXECUTIVE SUMMARY

- Social media listening and monitoring.
- Barriers for future usage – looking beyond 2012.

How marketers are using social media personally

- Marketers are reassuringly social. Most are personally involved in social media, with nine out of ten having a personal LinkedIn profile.
- The range of social platforms regularly frequented by marketers is also heartening, although Google+ is slow in terms of take-up.
- A healthy number of marketers are socially active, with 60% having updated their LinkedIn profile within the last month, whilst 40% have

posted a status update within the last month.

- Interestingly, however, marketers are failing to follow brands and many don't participate in online discussions, blogs, polls and forums.

Business usage, investment and resource

- In line with our first wave of research, the four major platforms continue to dominate marketing and customer engagement activities. Blogs also remain popular, despite wider criticisms that they are outdated. In line with individual use, business use of Google+ is significantly slower than that of other social media platforms.

- Marketers continue to dominate management of official or approved social media activities. But in line with the first wave of research, there's still an absence of a dominant model for social media resourcing.
- Looking ahead, marketers plan to significantly increase activity across social platforms, although Google+ and online communities lag.
- Marketers see the potential in social media, but it's not being recognised or fully bought into within organisations. Fewer than one in five businesses say social media is central to their marketing strategy.

Skills and talent

- There is a significant skills and capability deficit. Just 2% of businesses report optimal skills and competencies – much lower than in wave one of our research.
- Businesses rate many digital capabilities as critical for their organisation, but they acknowledge weaknesses in these exact same areas.
- Building internal skills appears the overwhelming preference for companies planning to enhance their social media skills and competencies in 2012. But changing recruitment practices to ensure a

EXECUTIVE SUMMARY

stronger focus on digital and hiring a social media consultant are surprisingly overlooked.

- Looking ahead, the main challenges for marketers are budget, time and staff resource.
- No clear picture of the DNA of a great digital marketer emerged from this wave of the survey.

Data, privacy and regulation

- Half of businesses don't collect data from social media. Of those that do, there is a worrying lack of meaningful purpose behind data collection efforts.
- There is a poor grasp of legislation among marketers. Beyond the long-established

Data Protection Act, understanding of pertinent legislation is woeful, with only a third of those who collect data from social media feeling certain that they are compliant.

Social media monitoring and listening

- The metrics landscape for digital remains foggy and, in many cases, is not being maximised. But there is significant good intent amongst marketers to leverage these tools over the next 12 months.
- Marketers dominate the management of monitoring and listening, just as they dominate the wider management of social media.

- Resources are the main cause of the lack of social media monitoring and listening.

Barriers to future usage

- Looking ahead to the next 12 months, the key internal barriers are budget and time, although marketers remain confident on technology capability. Marketers are once again dismissive on the likely impact of senior buy-in, skills and agency capability.
- Marketers recognise competitive moves and over-crowding in the social space as key external barriers, when looking ahead to the next 12 months. But they

broadly reject a potential backlash by customers to an overload of brands on social media platforms.

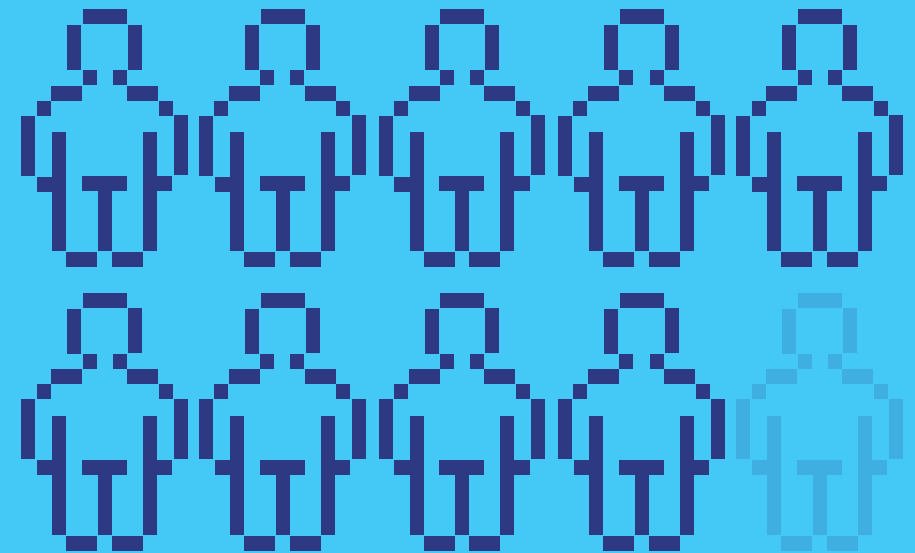
In addition to exploring the stories behind these figures and findings, this report contains insights from industry leaders and experts, with the aim of enabling readers to act on the results, thereby taking a further leap towards maximising the marketing potential of the digital sphere.

In six months' time, we will return to the key questions of the first two waves of research, along with some new ones. As such, this study will continue to become even bigger and better.

SECTION ONE: HOW MARKETERS ARE USING SOCIAL MEDIA PERSONALLY

1. Are marketers social?
2. How socially active are marketers?
3. Are marketers going the extra mile?

Nine out of ten marketers have
a personal LinkedIn profile.



1. ARE MARKETERS SOCIAL?

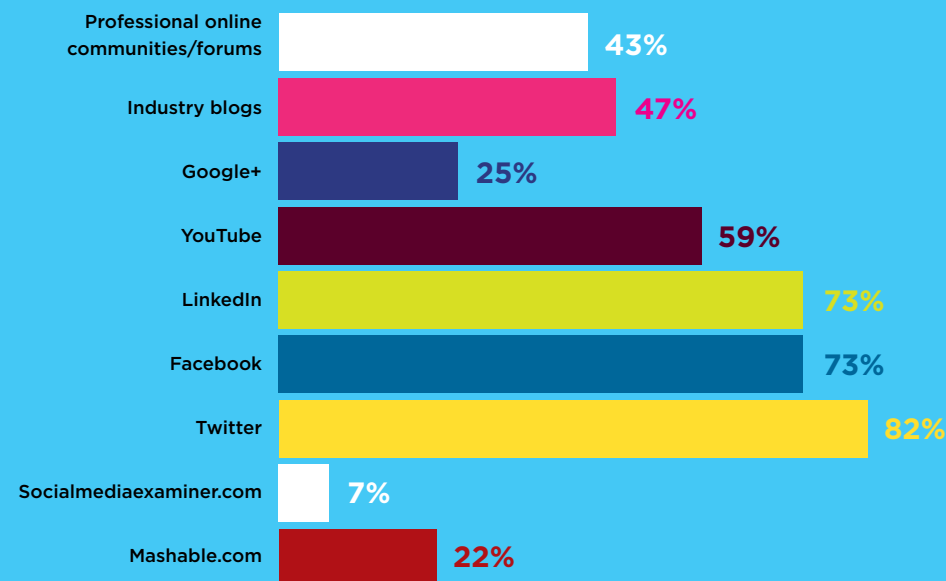
Social people make social companies. So it's encouraging that the vast majority of marketers are, to a greater or lesser extent, involved personally in social media, with nine out of ten saying they have a personal LinkedIn profile. The range of social platforms regularly frequented by marketers is also heartening, although Google+ still lags way behind.

"If you haven't got on platforms like LinkedIn, Twitter and Facebook and tried them out, you won't have any real insight into what they're useful for," says Daniel Rowles, digital marketing trainer and consultant. "Also, because social media is evolving so quickly, we are all

learning as we are doing. That means you need to be using the platforms on a day-to-day basis to see what's working and what's not. There is no documentation or guides out there to tell you at the moment, so people need to create their own knowledge."

Above all, social media needs to be led by people who are passionate about it, he says, adding that there are two schools of thought as to the sluggish take-up of Google+. First, it could be just that it's new or second, it could be another sign that Google, despite being a huge global player in the social space, is failing to crack the social networking nut. Time will tell.

Platforms visited at least once a week.



1. ARE MARKETERS SOCIAL?

So what should I do?

Consider running a workshop. “The aim of our programme was simple – to ensure everyone’s Google View is impressive, current and on message, with an explanation as to why it matters,” says Nick Hughes, global head of marketing and communications at Knight Frank. “If anyone working here has just a handful of LinkedIn contacts, isn’t a member of any online forum or tweets in a very fragmented way, it would be

easy for someone in the outside world to assume they’re no good at networking or affecting change.”

Jonathan Geldart, global director of marketing communications at Grant Thornton International Ltd, agrees that personal use of social media is about setting an example. “In our case, if marketers are not seen to be up to speed with what’s happening in the world of social media, how can we expect to advise a business? It would look lame.”

“In our case, if marketers are not seen to be up to speed with what’s happening in the world of social media, how can we expect to advise a business?”

Jonathan Geldart

**Global Director of Marketing Communications
Grant Thornton International Ltd**

2. HOW SOCIALLY ACTIVE ARE MARKETERS?

If your glass is half empty, it would be easy to conclude that the frequency with which LinkedIn profiles are updated by marketers reveals some lethargy in the digital sphere, with one in five marketers having only done so within the last three months, whilst the same number has never posted a status update.

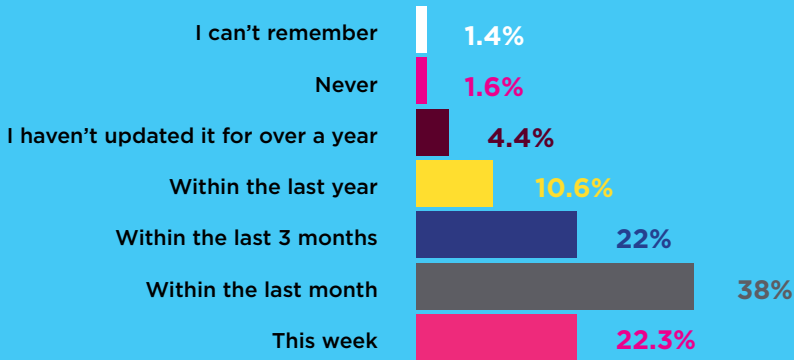
But Josh Graff, director of marketing solutions for EMEA at LinkedIn, is optimistic that 60% of marketers have updated their profile within the last month, whilst 40% have posted a status update within the last month. “What these people realise, and others are fast catching onto, is that social networking has multiple benefits if you are a frequent user and that

the advantages of cross-over between personal and business use are growing all the time.”

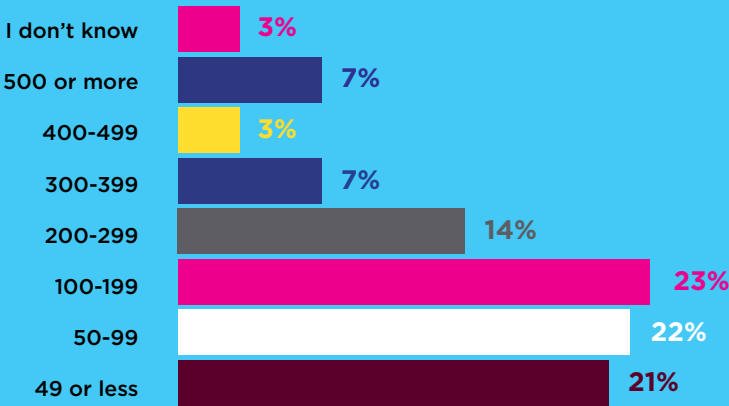
So what should I do?

Whilst two-thirds of marketers admit to less than 200 LinkedIn connections – and one in five have less than 50 connections – Josh Graff insists this isn’t bad news. “Marketers should remember that it’s quality over quantity when it comes to connections. Provided they focus on connecting with trusted people who will help them develop their career and business, the actual numbers will vary enormously depending on things like industry and company size.”

When did marketers last update their LinkedIn profile?



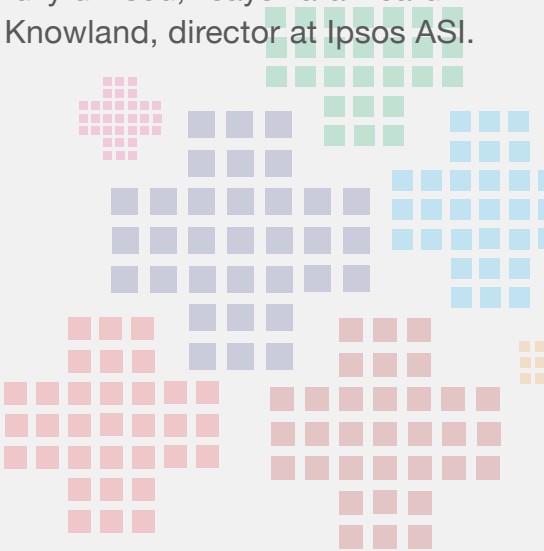
And how many LinkedIn connections do they have?



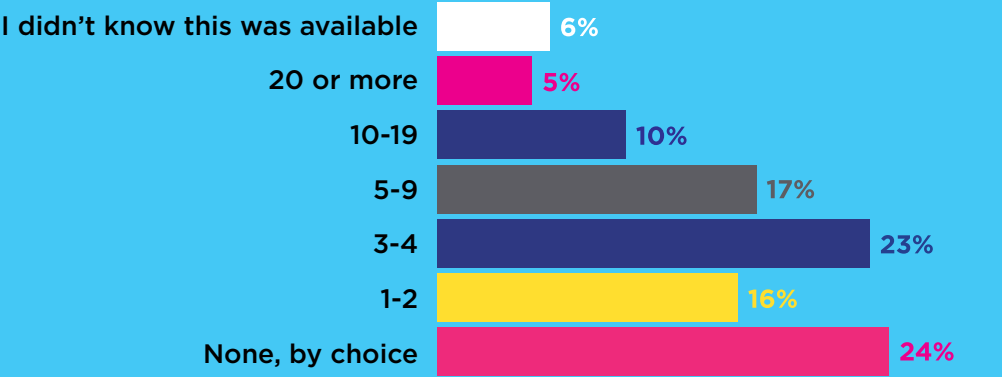
3. ARE MARKETERS GOING THE EXTRA MILE?

Imagine a salesman working in a car showroom refusing to drive that brand of car. We found that a quarter of marketers choose not to participate in online discussions, blogs, polls or forums. These are the tools marketers try to get prospects and clients to use to get in touch with their organisation, yet they are failing to visit these spaces themselves.

The extent to which marketers are following other brands on LinkedIn is also concerning. Ninety-five per cent know the potential is there, but a quarter choose not to do so, whilst five per cent don't even know that this long-standing feature exists.



How many companies/brands do marketers follow on LinkedIn?

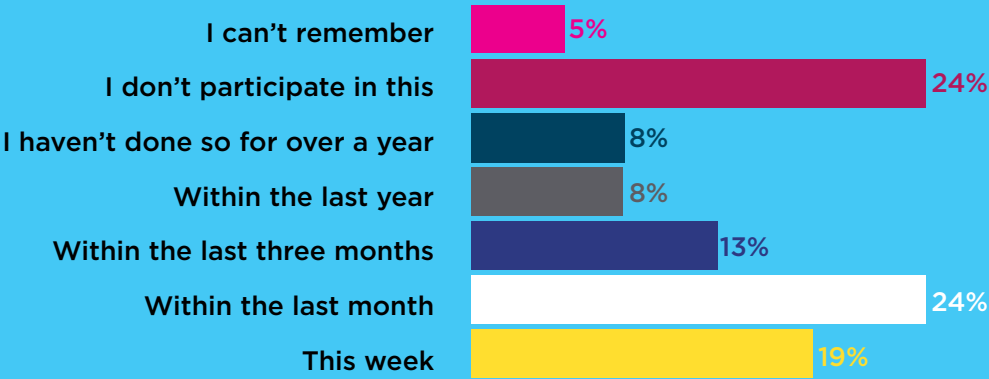


3. ARE MARKETERS GOING THE EXTRA MILE?

So what should I do?

“Waste no time in using social media to review relevant trends and keep an eye on what your competitors are up to,” says Richard Anderson, Bazaarvoice’s vice president of client services. “These insights are available in a format that is very easily digestible and certainly for us, it’s a key way of understanding where the gaps are in what we are doing now and could be doing in the future. LinkedIn aside, TweetDeck is another good place to start.”

When did marketers last contribute to an online discussion, blog, poll or forum?



SECTION TWO: BUSINESS USAGE, INVESTMENT AND RESOURCE

1. Which social media tools do marketers use for business?
2. Who owns social media and how is it resourced?
3. How central is social media to the marketing strategy?

“If you make customers unhappy in the physical world, they might each tell six friends. If you make customers unhappy on the internet, they can each tell 6,000 friends.”

Jeff Bezos
CEO
Amazon.com

1. WHICH SOCIAL MEDIA TOOLS DO MARKETERS USE FOR BUSINESS?

Mention company blogs and many people will respond that they're 'old hat', fast becoming superseded by marketers diving into LinkedIn discussions, Facebook pages and tweeting – all of which are more fast paced and interactive. But although we found, just as we did in the first wave of research, that the main four platforms dominate marketing and customer engagement activities, blogs came a close fifth. Over half of marketers say they use them as a central part of their organisation's activity.

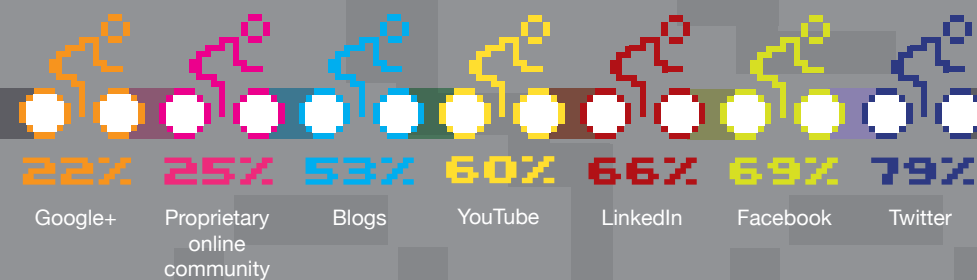
The chief advantage of blogging is that it's an open forum – unrestricted to particular formats, such as 140 characters, points out Richard Anderson. "In addition, blogging allows you

to reach a wider, impassioned and focused audience, where people can agree, disagree or comment. The challenge lies in getting people to follow your blog. Some companies fail to get a consistent tone of voice or to maximise interconnectivity between different social media platforms, both of which can turn followers away."

Andrea Clatworthy, head of client marketing at Fujitsu, is a big fan of business blogging. "We do it a lot, but even I fear we are still using it to broadcast rather than engage. It's not that we don't invite comment back, but the fact is we don't get much of it," she says.

Google+ is failing to catch up with the other platforms

How many businesses are using social media as a core part of their marketing activities?



1. WHICH SOCIAL MEDIA TOOLS DO MARKETERS USE FOR BUSINESS?

when it comes to business use. This doesn't look set to change either, with marketers claiming to have plenty of plans across the major four platforms and blogs, but very little in store for Google+ and online communities.

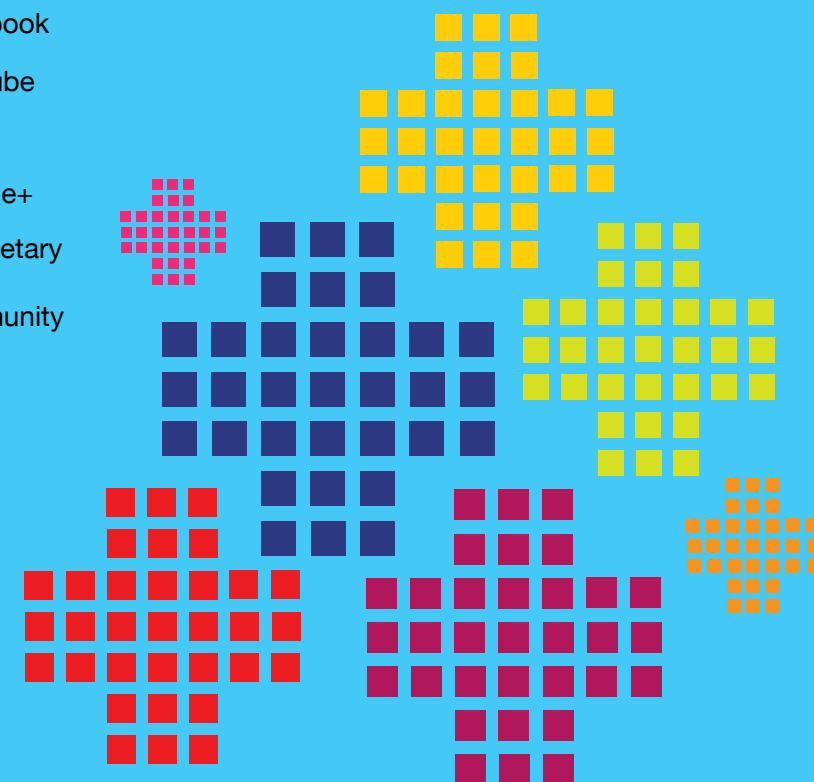
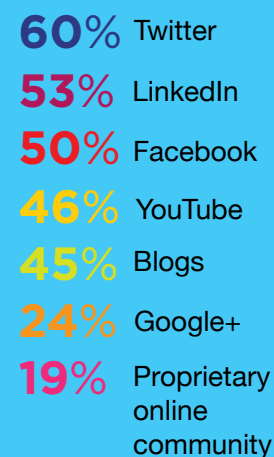
So what should I do?

Focus on making the content of your blog relevant, insightful and personal. You need to have ticked two boxes with every post – ensuring that first, your customers learn something new and second, they feel more connected to your brand in a meaningful way.

When it comes to the four key platforms, don't lose sight of the potential of crossing individual

with collective use, adds Nick Hughes, Knight Frank. "We created a synergistic social media approach to our response to the proposed purchasing of tracks of land between London and Birmingham for the HS2 link. Our research teams found out who would be affected, then created a website page offering advice, and finally got all our relevant people tweeting individually and corporately. Within two days, we'd had 18,000 hits and 70 instructions on the back of it, which is a lot for us. In terms of share of voice, we outgunned the BBC and even the government at one point. We owned that story and it was largely thanks to Twitter."

Marketers' predictions of how use of their company's social media is going to change during 2012 versus 2011 (those predicting significant increase in activity).



2. WHO OWNS SOCIAL MEDIA AND HOW IS IT RESOURCED?

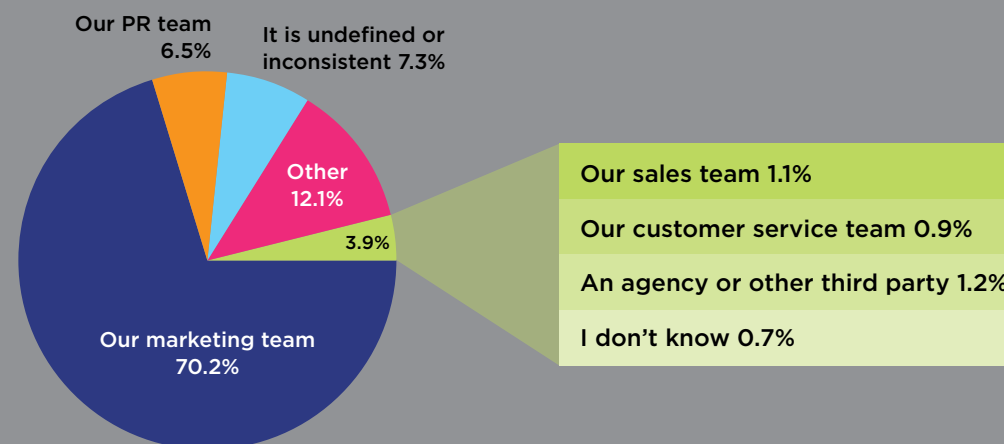
“If you make customers unhappy in the physical world, they might each tell six friends. If you make customers unhappy on the internet, they can each tell 6,000 friends,” Jeff Bezos, CEO at amazon.com, famously pointed out.

No wonder marketers continue to dominate management of official or approved social media activities, as well as determining its content. “Marketers are the ones who know the brand story best and can help tell that story in a way that is meaningful, interactive and useful,” says Richard Anderson. “Whether the context is building relationships with customers, supporting the latest campaign or reiterating what the brand stands for, it is

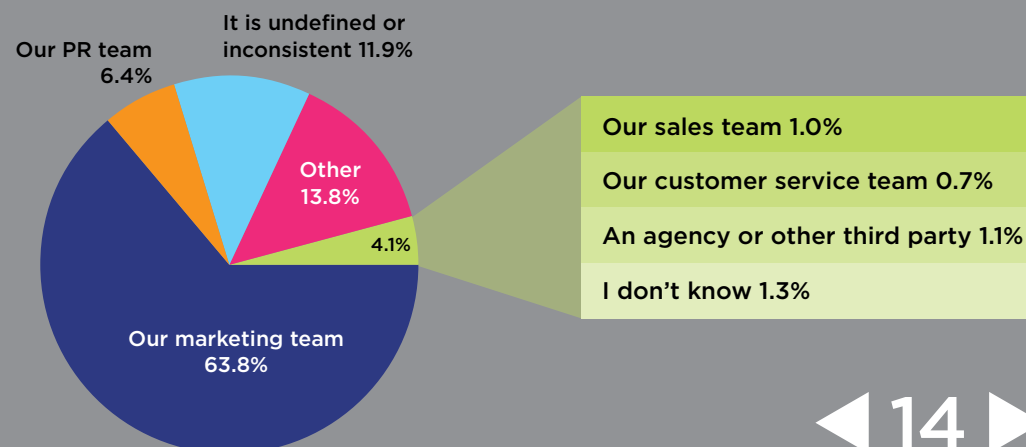
marketers who really understand what needs to be said and how.”

That said, one in ten marketers say they still have no clarity about who determines content, and in line with our wave one results, there remains an absence of a dominant model for resourcing. “But we need to be mindful that many companies still don’t have a sense of what social media can do for them. If you look at any new way for businesses to communicate, it has taken time to find a prevailing resourcing model,” says Tara Beard-Knowland, who points out that half of organisations said they won’t be using external agency time for social media activities in 2012.

The department that has primary responsibility for managing the company’s official or approved social media activities...



... broadly matches who determines content used across the company’s social media channels.

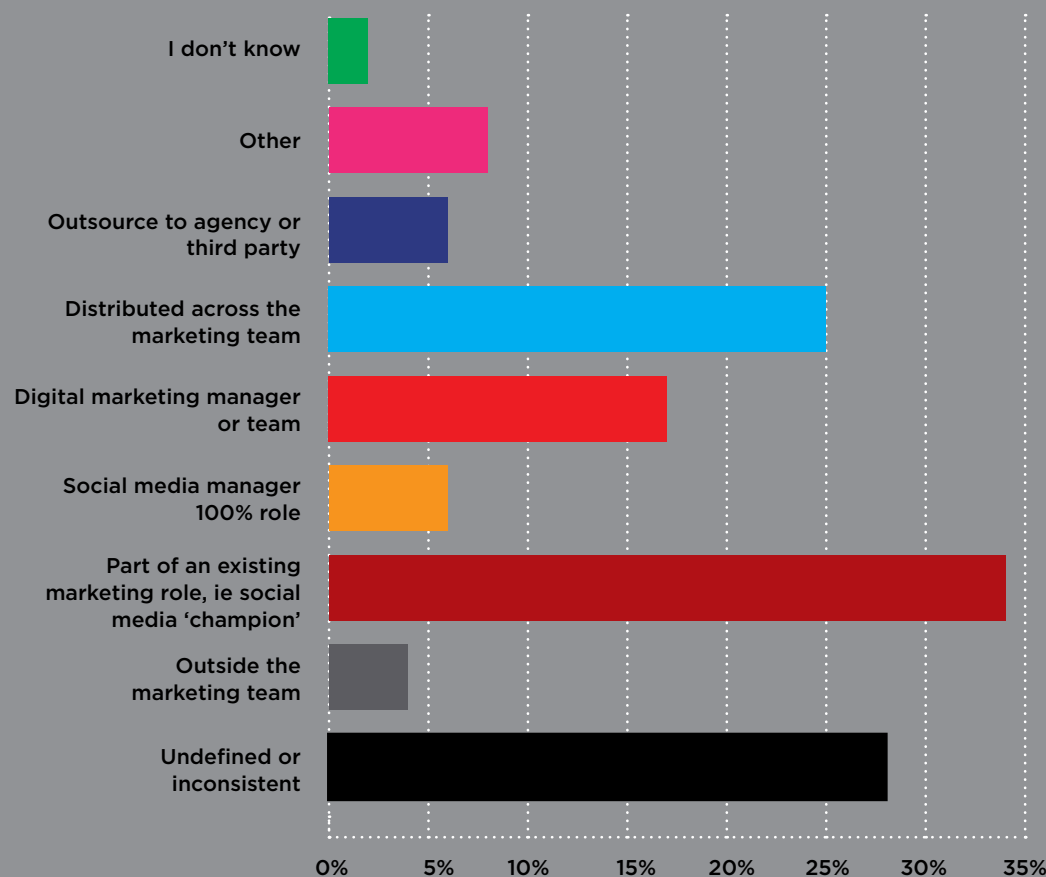


2. WHO OWNS SOCIAL MEDIA AND HOW IS IT RESOURCED?

So what should I do?

“Don’t be afraid of a cross-functional resourcing model,” says Dominic Grounsell, marketing director at RSA. “It’s easy to think of social media as one homogenous blob, but it’s hugely diverse and as such, provides different opportunities for marketing, PR, corporate communications, customer services and more.” By all means have a centralised content calendar and an overall social media policy and management framework, he says, but remain open-minded about resourcing.

How social media responsibility is resourced within organisations shows there’s still an absence of a dominant model.



3. HOW CENTRAL IS SOCIAL MEDIA TO THE MARKETING STRATEGY?

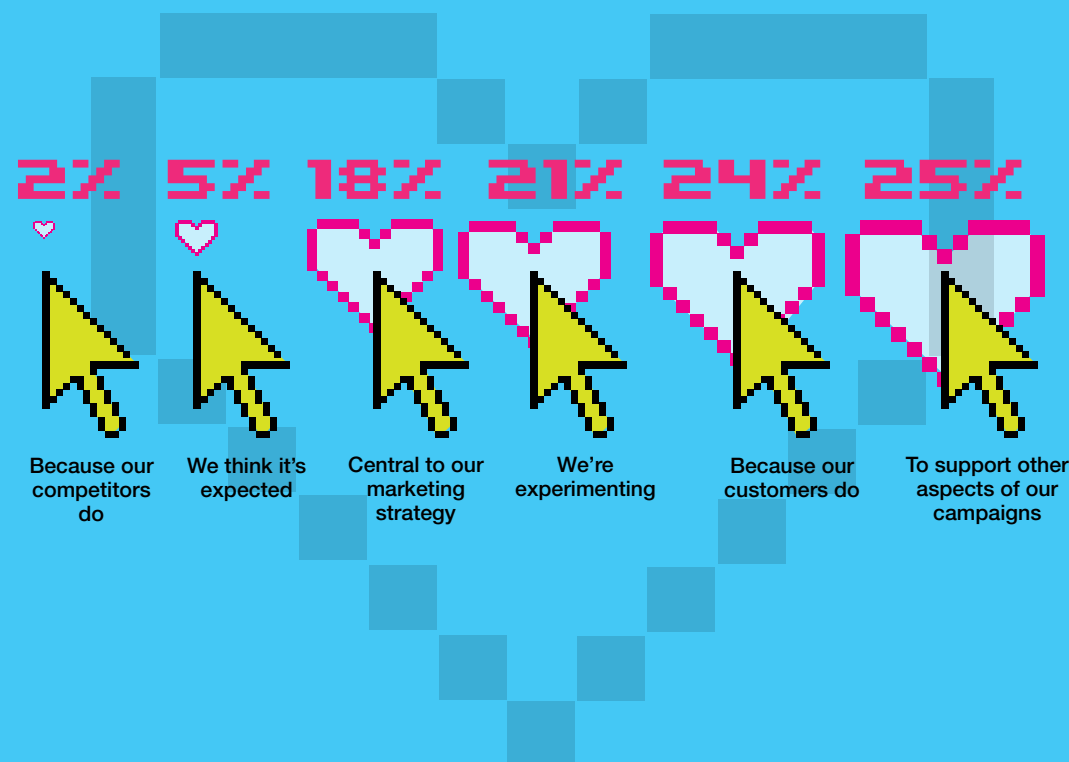
Too many marketers view social media as a creative way of just getting that one-time transaction done. Indeed, consistent with wave one, fewer than one in five businesses say social media is central to their marketing strategy. Almost a third say their senior management team does not fully understand why the company uses social media and almost one in ten marketers say they're getting as much value from social media as they can. The message is clear: social media remains a bolt-on in most companies.

Elsewhere in this study we reveal significant increases planned around investment in social media – but how can this have a hope of being worthwhile if the digital arena is not being drawn into the heart of how an organisation defines how it goes to market?

So what should I do?

Nick Hughes says he has had to take the Knight Frank corporate culture kicking and screaming to understand the true power of this marketing space, but it has been worth it. "The simple

What is the main reason why organisations invest in social media?



3. HOW CENTRAL IS SOCIAL MEDIA TO THE MARKETING STRATEGY?

thing is to spend £100,000 on another press campaign. You're guaranteed ROI and it's what you've always done. But moving to a more mixed platform as part of the company psyche is paying off for us and three things have particularly helped us in this journey – an incredibly structured approach, some tactical quick wins and a new head of PR who is an evangelist and champion for social media.”

Recently, this head of PR presented to country residential teams, which is Knight Frank's most traditional, old-school team of all, he says. “You could feel the electricity in the room. They came out saying, ‘I thought social was my daughter on Facebook, but I get it now about how it's part of our marketing strategy too.’ We haven't won everyone's hearts and minds, but we're not far off and we are already reaping the benefits.”

Marketers see the potential in social media, but it's not having enough impact and isn't fully bought into.

We're getting as much value from social as we can

9%
STRONGLY AGREE

Senior managers fully understand why we use social

32%
STRONGLY AGREE

We can integrate social with other comms channels

42%
STRONGLY AGREE

If left unmonitored and unmanaged, it poses a significant reputation risk

50%
STRONGLY AGREE

It has great potential as a tool to help our business grow

51%
STRONGLY AGREE

SECTION THREE: SKILLS AND TALENT

1. Are the right skills and capabilities in place?
2. How do businesses plan to improve skills and competencies?
3. What does a great digital marketer look like?

“Social Media is a way to reach your consumers, so whatever skills you feel you require for that purpose must be in addition to the broader marketing mix.”

Dominic Grounsell
Marketing Director
RSA

1. ARE THE RIGHT SKILLS AND CAPABILITIES IN PLACE?

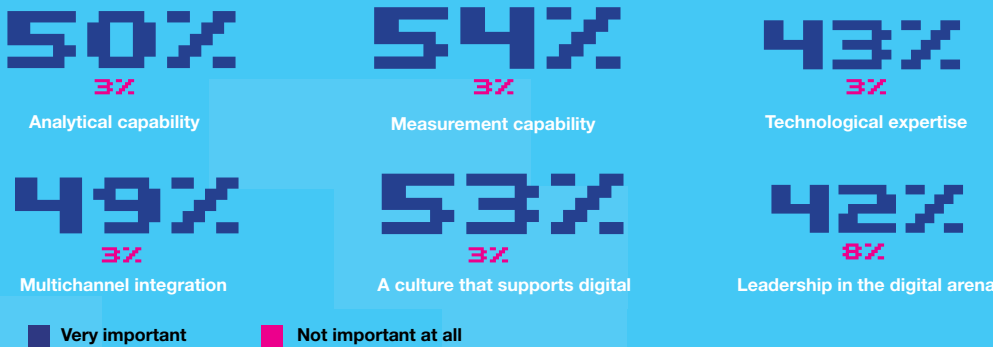
These channels aren't exactly new, yet almost half of businesses acknowledge a significant skills and capability deficit, with just 2% reporting optimal skills and competencies – a drop of several percentage points compared to wave one of the study. Businesses have a long list of the digital capabilities they deem as critical for their organisation, yet they acknowledge weaknesses in these exact same areas.

The fact that no one area stands out as more important than the other is likely to be reflective of the fact that these are early days, so nobody has a good handle on exactly what's

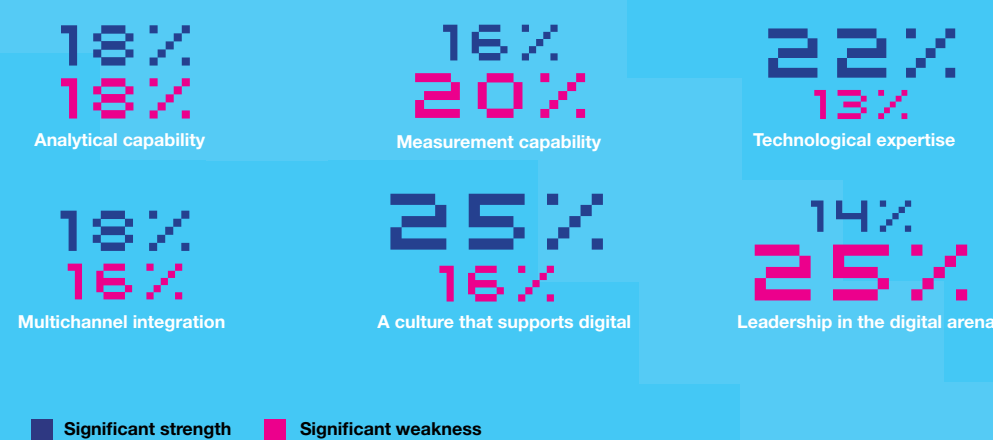
needed. In addition, different capabilities may be required for different platforms and goals. What is clear is that there's a consistently strong mismatch between the importance of the capability and the relative company's strength.

Particularly worrying is that one in five marketers say measurement is a significant weakness, while a quarter of people say they don't exhibit any leadership in the digital arena at all. Meanwhile, only data/analysis stands out with a lower importance ranking – surprising, given how well digital lends itself to this area.

How important are the following digital capabilities to social media success?



How do marketers rate their company's strengths against the same factors?



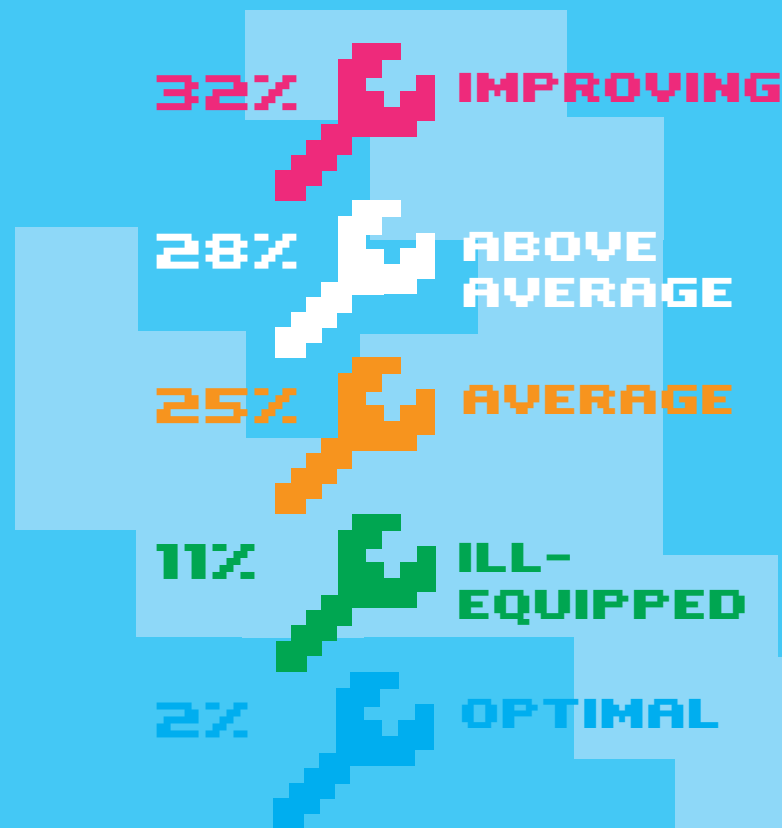
1. ARE THE RIGHT SKILLS AND CAPABILITIES IN PLACE?

So what should I do?

“Whatever you do, don’t place responsibility for social media onto the intern,” advises Daniel Rowles. “Even in huge companies, I’ve often seen the intern running the show, with no support network, wider policy framework or true business understanding. They’re seen as the bright, young thing who gets digital, and that’s why they’re chosen, but by doing this you put them in charge of your brand and that carries huge risks.”

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Overall, how do marketers rate the strength of their company’s skills and competencies to leverage and manage social media effectively in 2012?



2. HOW DO BUSINESSES PLAN TO IMPROVE SKILLS AND COMPETENCIES?

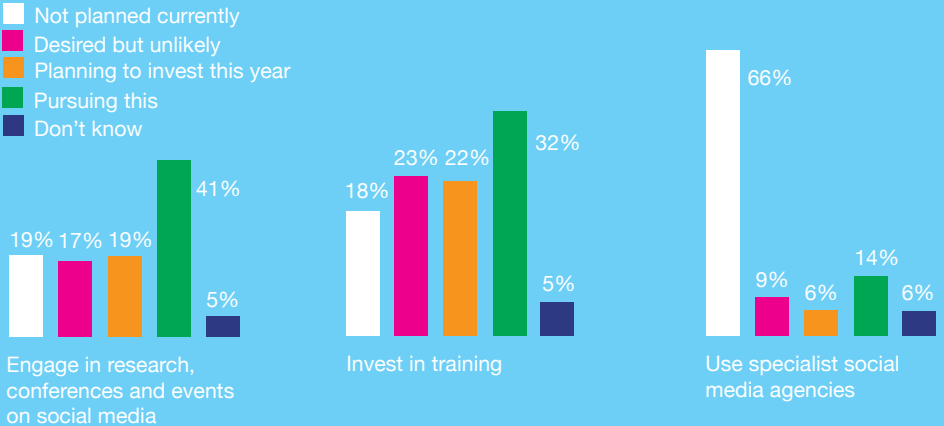
Building internal skills is the overwhelming preference for businesses, although a surprisingly high number are overlooking the chance to change their recruitment criteria to ensure a stronger focus on digital in the future or indeed to hire a social media consultant or adviser.

As for the barriers, budget, time and staff resource emerge as particularly challenging for marketers. For many companies, management time is so stretched that they simply don't have time to stand back and look at how to do things better.

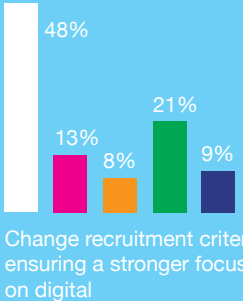
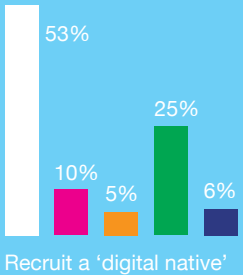
So what should I do?

“Rather than saying, ‘Here’s our meagre budget, let’s spend it on a once-a-year conference,’ focus on ongoing learning,” says Daniel Rowles. “There is so much online that you can learn in your own time and at your own pace, and then share that knowledge with colleagues. People keep asking when social media is going to slow down, but it’s not. It’s going to get faster and faster, which means you need to invest as much as possible in ongoing learning.”

How are organisations planning to enhance social media skills and competencies in 2012?



What are the key barriers to improving social media skills and competencies in 2012?



3. WHAT DOES A GREAT DIGITAL MARKETER LOOK LIKE?

We asked people to describe the DNA of a great digital marketer. Although some key words emerged – creative, understanding, customer, technology, new, communication and trends were among them – there were no truly innovative worlds that really stood out.

“If you’d have asked the same question of online advertising 15 years ago, you’d have got a similar list of words, so it’s a big disappointing really,” remarks Tara Beard-Knowland. “Even saying someone is creative doesn’t articulate very much. What is meant by that? I’d like to have got a clearer picture, but

what we’ve uncovered here is that there is no great clarity.”

So what should I do?

“Don’t bother looking for someone with every possible social media skill – there is a huge skills gap,” says Daniel Rowles. “What you need is someone who, yes, understands social media, and who certainly has the potential to learn more, but someone who also has the ability to step back and say, ‘How will this affect our business objectives?’ There are too many people who are brilliant at social, but just can’t connect it back to the wider business aims.”

“There are too many people who are brilliant at social, but just can’t connect it back to the wider business aims”

Daniel Rowles
Digital Marketing Trainer and Consultant

3. WHAT DOES A GREAT DIGITAL MARKETER LOOK LIKE?

Social media is a means to an end, not an end in itself, agrees Dominic Grounsell. “It is a way to reach your consumers, so whatever skills you feel you require for that purpose must be in addition to the broader marketing mix. Your goal should be about finding one or more platforms that resonate with your consumers and then using more holistic skills around the marketing landscape to amplify into the minds of consumers. If you hire someone on the basis of digital skills alone, (a) how do you know they won’t be obsolete tomorrow and (b) how can you be sure you will reach your goals?”

“Social Media is a means to an end, not an end in itself”

Thomas Brown
Head of Insights
The Chartered Institute of Marketing

SECTION FOUR: DATA, PRIVACY AND REGULATION

1. How and why do marketers collect data?
2. Are marketers aware of regulation?

“The threat from the regulatory enforcement is growing... but legislation is not the only reason to be mindful. The potential for a PR disaster is enormous if you don’t comply with regulation.

In fact, if you suddenly have a huge fall-out with customers in the social media space, that is arguably worse than any fine.”

James Mullock
Data Protection Partner
Osborne Clarke

1. HOW AND WHY DO MARKETERS COLLECT DATA?

Social media is an extension of your customer relationship. It would be easy, then, to feel comforted by the fact that insights about prospects, competitors and customers is being captured and stored by half of businesses. It means they have made inroads to accessing the full picture they need to maximise this relationship.

The problem is twofold. First, for those that do collect data, there is a concerning lack of meaningful purpose. Second, only a third of those who collect data from social media are certain they are compliant with relevant data and privacy legislation. If you are collecting or storing data without ticking

both these boxes, you would be better – and certainly safer – to not do it at all.

So what should I do?

Go back to the drawing board on your primary objectives for data collection. Do you want to build familiarity and awareness? Do you want to engage with a particular group of people? Do you want to spot trends? Once you've worked out your goals, collect only the data you really need and ensure you've checked all relevant legislation and been absolutely clear with your customers where appropriate.

Half of businesses don't collect data from social media; only one third of those who do are certain they are compliant.



2. ARE MARKETERS AWARE OF REGULATION?

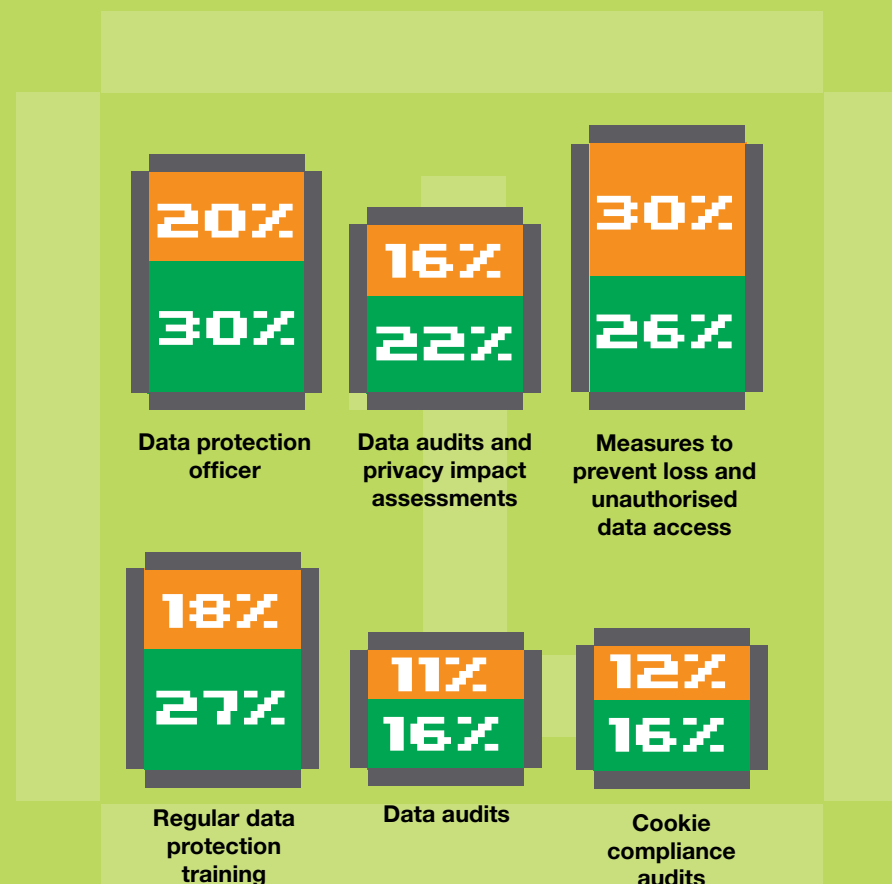
Not a month goes by without news of rules and regulations relating to social media. But when questioned about knowledge of individual regulations, we unearthed a very poor grasp of legislation among marketers. Couple this with the fact that just a third of those who collect data from social media are certain they are compliant, and the picture becomes worrying.

James Mullock, Data Protection Partner at Osborne Clarke, warns that the legislative agenda is becoming both increasingly complex and punitive, leaving marketers with no time to waste

in getting to grips with it. It's not as if marketers are telling us that access to specialist data, privacy and legislative expertise is high enough elsewhere in the business or via external counsel to compensate for this poor understanding.

"Because there has been a lot of interest from regulators against the big guys like Google, but not a terrific amount of enforcement yet against companies in relation to the use of social media, it is easy for marketers to assume, 'So what?' if they don't comply," he says. "But the threat from the regulatory enforcement is growing. Cookie compliance,

What data management and privacy protocols do organisations have in place?



Advanced Basic

2. ARE MARKETERS AWARE OF REGULATION?

for example, has just been enforced and will be one to watch out for. But legislation is not the only reason to be mindful. The potential for a PR disaster is enormous if you don't comply with regulation. In fact, if you suddenly have a huge fall-out with customers in the social media space, that is arguably worse than any fine."

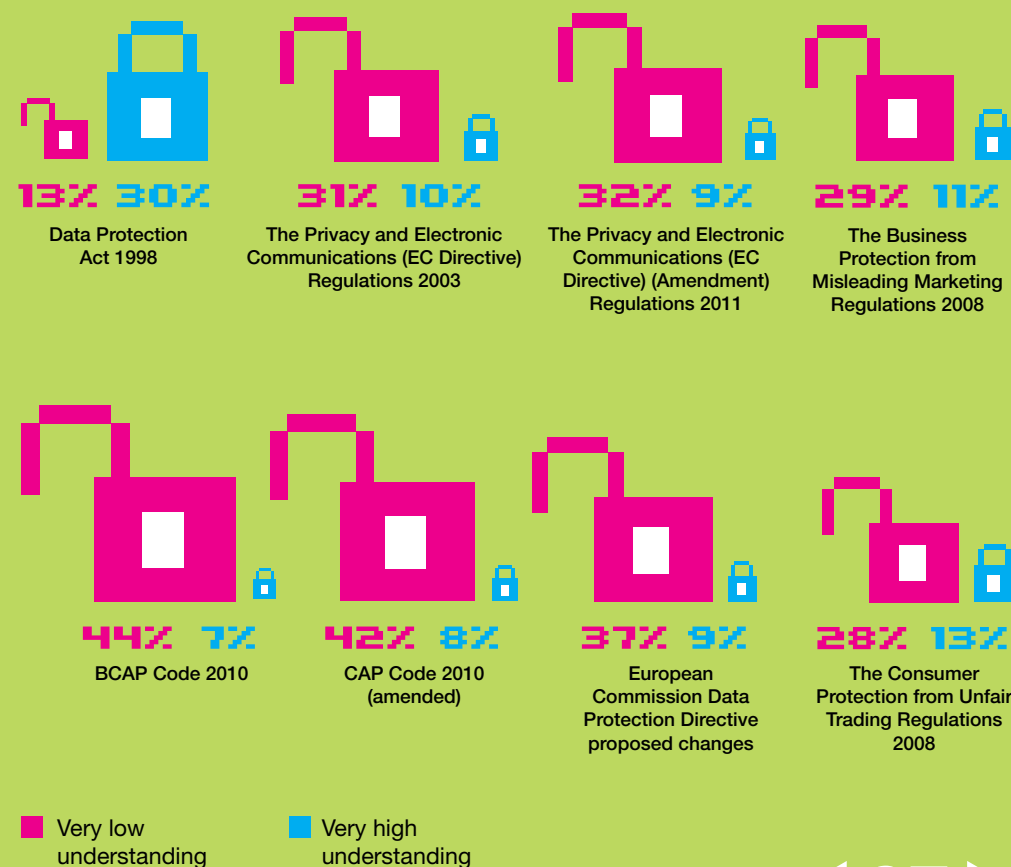
So what can I do?

Look busy, advises James Mullock. "Give someone ownership in your business to understand these areas that marketers say they don't fully understand. Give that person responsibility for assessing what

compliance steps the company needs to make. That's really what the law makers are looking for. They want companies, even who don't fully comply on every detail, to show that they have thought about it and tried."

It's also worth remembering, he says, that the privacy practitioner profession is growing in its sophistication, which is ultimately good news for organisations that need helping out.

To what extent do marketers feel that they understand the impact of the following legislation and regulations on social media activity?



SECTION FIVE: SOCIAL MEDIA MONITORING AND LISTENING

1. What does the metrics landscape look like?
2. Who manages monitoring and listening?
3. What are the barriers?

“Too many marketers are quick to boast that they have x number of fans or likes. But the question is how engaged are you with them?”

Andrea Clatworthy
Head of Client Marketing
Fujitsu

1. WHAT DOES THE METRICS LANDSCAPE LOOK LIKE?

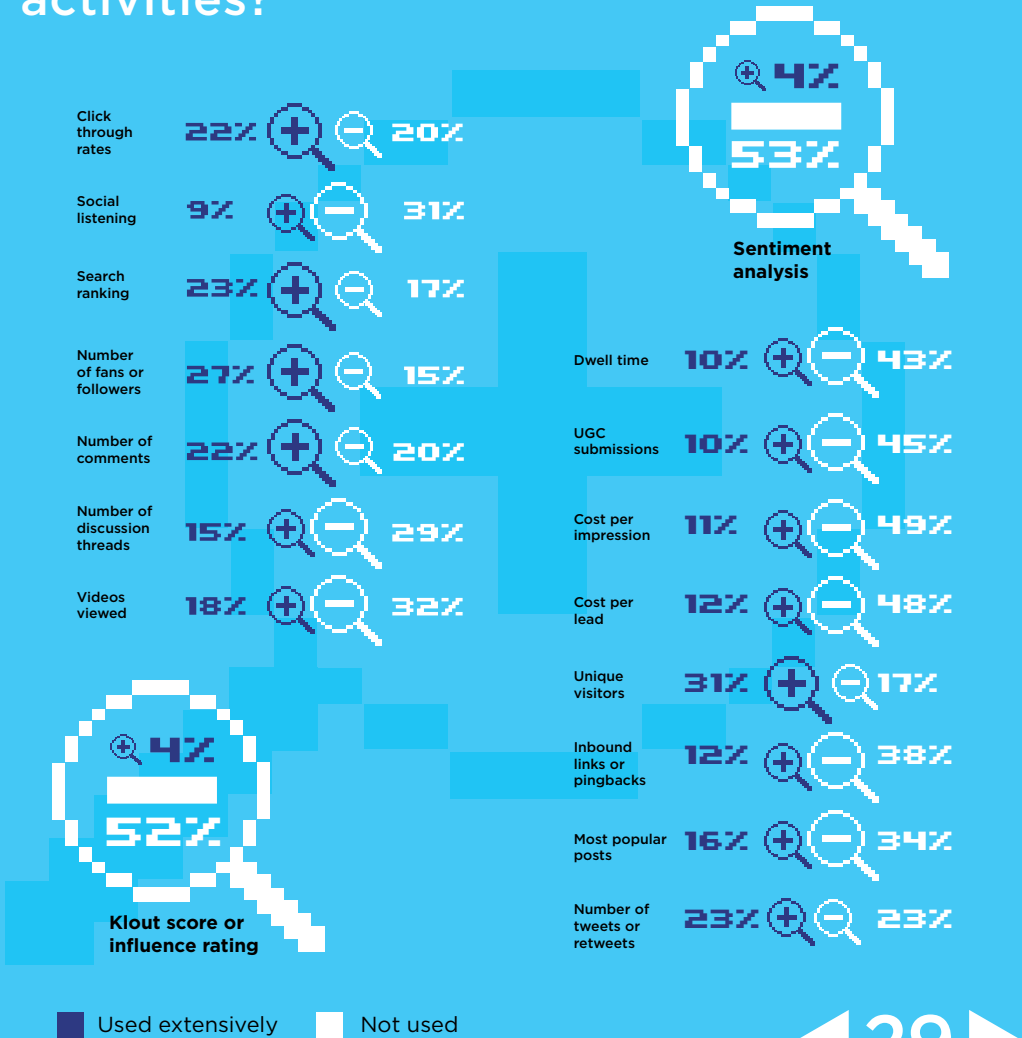
The metrics landscape for digital remains murky and, in many cases, underutilised. Over half of organisations don't use sentiment analysis or Klout score (or other influence ranking), for example.

But if you are not tracking areas like number of discussion threads, dwell time, most popular tweets, cost per lead and cost per impression – all of which have low take-up rates – how are you measuring engagement? It's not as if these things are costly. In many cases,

they are free or low-cost and easy to use.

“Too many marketers are quick to boast that they have x number of fans or likes. But the question is how engaged with them are you?” adds Andrea Clatworthy. The good news is that a high number of marketers say they plan to start using the metrics to find out. The intent is definitely there and it will be interesting to see, in future waves of our research, whether this happens in reality.

To what extent do organisations use the following types of monitoring and measurement for their social media activities?



1. WHAT DOES THE METRICS LANDSCAPE LOOK LIKE?

So what do I do?

Stop counting fans, followers and blog subscribers for the sake of it. Think, instead, about what you're hoping to achieve with the community, says Richard Anderson. "Work out what you want to know – some organisations want to increase sales, for instance, others just want to listen to what's being said so they can use that conversation to influence future strategy – and once you know your goal, find the right tool – there will be one."

"Stop counting fans, followers and blog subscribers for the sake of it. Think, instead, about what you're hoping to achieve with the community."

Richard Anderson
Vice President Client Services
Bazaarvoice

2. WHO MANAGES MONITORING AND LISTENING?

Social media is all about cultivating relationships, so it is good to see that marketers – whose job it is to do exactly that – dominate the management of monitoring and listening.

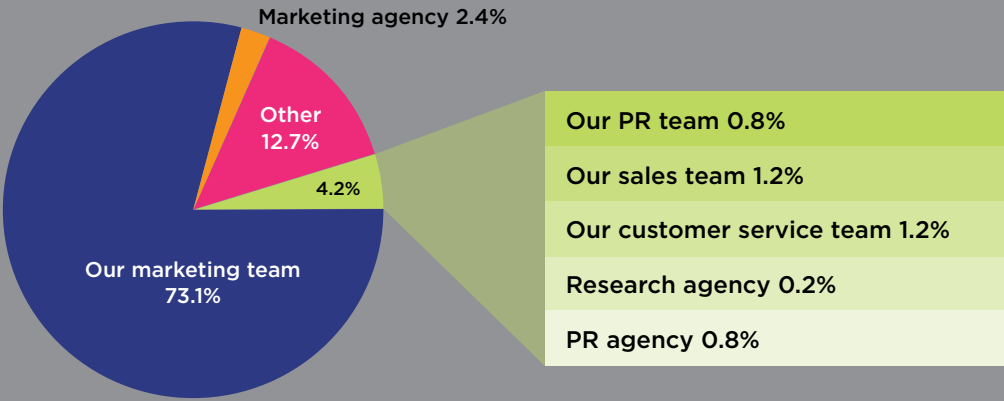
We already know from elsewhere in this report that marketers largely control the content and dialogue of social media, so it makes sense for them to manage this area too. The problem lies in the earlier finding that they don't always make use of the tools they need to monitor

and listen as effectively as they could.

So what should I do?

Remember the key to success in all cases is having the internal expertise or access to experts who can interpret the data to enable data-driven decision making. A lot of data that comes from social media, particularly in networks, is around community numbers, viral reach and online exposure, which all require in-depth insight and comparison.

Marketing dominates the management of monitoring and listening, consistent with wider management of social media.

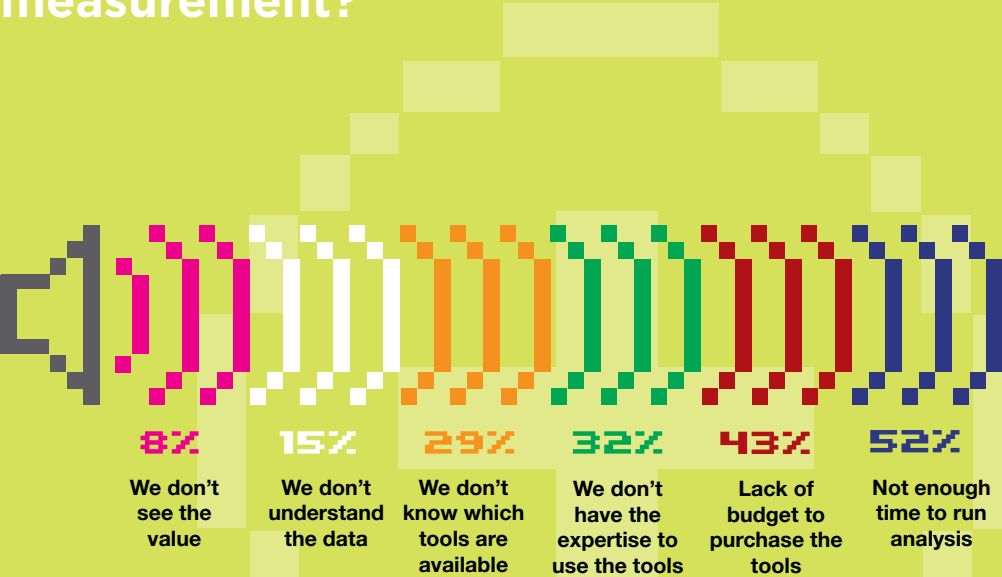


3. WHAT ARE THE BARRIERS?

“There’s not enough time to run the analysis.” “We lack the budget to purchase the tools.” “We don’t have the expertise to use the tools.” Ask any marketing department in the UK what are the biggest barriers to using social media monitoring and measurement and you will hear these phrases time and time again. Fifteen per cent of marketers don’t even know what the data from the tools means.

“We know we are embryonic when it comes to monitoring and listening, except when it comes to a finite campaign,” says Nick Hughes, Knight Frank. “In our case, we do have the tools and the expertise, but it’s so fast paced that there’s this feeling that everything will change in six months. Like so many companies, we have an urgent need to improve our metrics.”

What are the biggest barriers to using social media monitoring and measurement?



3. WHAT ARE THE BARRIERS?

So what should I do?

Avoid an 'analysis paralysis', that feeling of being completely overwhelmed by all the information and tools that are out there to the point that you do nothing at all. Identify what it is you want to know and then find the most basic way of finding it out and build upwards from there – if, that is, you need to. Even just by looking

at the number of times you are mentioned on Twitter or the number of times your tweets are retweeted, you may find the answers you need, although be mindful of 'share of voice'. Having 500 tweets, for example, might sound impressive, but if your competitor has 5,000, it's not.

Avoid 'analysis paralysis'! Identify what it is you want to know, find the most basic way of finding it out and build upwards from there.

SECTION SIX: BARRIERS TO FUTURE PROGRESS

1. What are the internal barriers?
2. What are the external barriers?

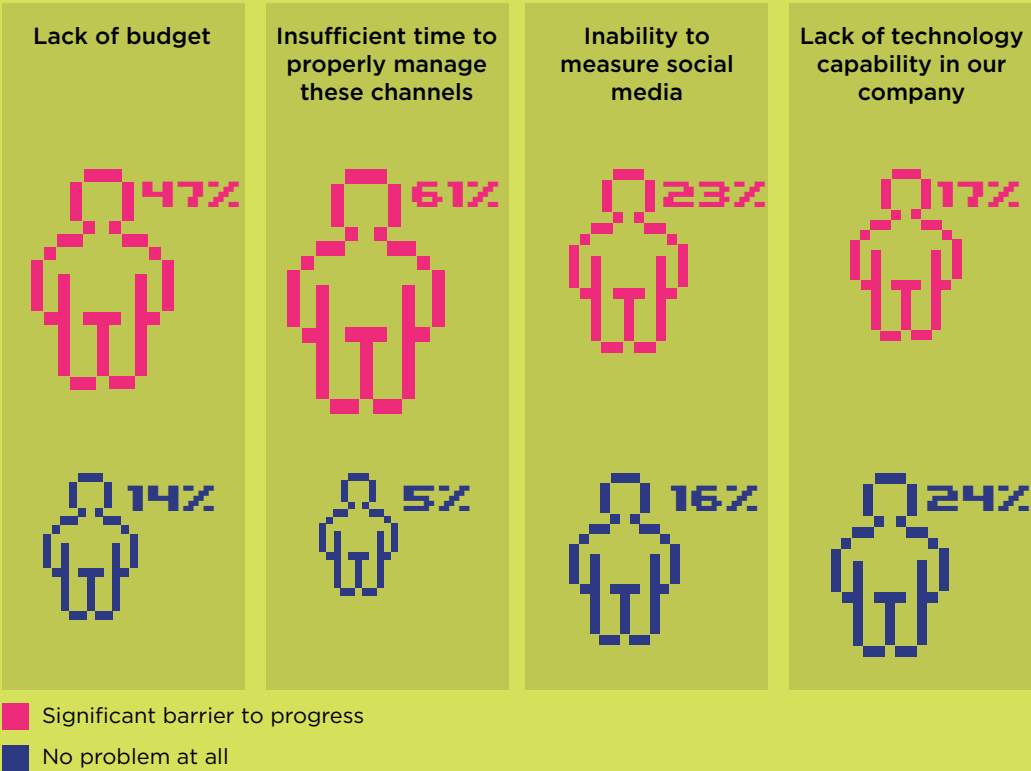
1. WHAT ARE THE INTERNAL BARRIERS?

Few people would disagree that organisations making investments in better connecting with their customers in the digital space now will have a distinct advantage over those that are resolved to wait and see. But with budget and time featuring prominently as major internal barriers, achieving this in the year ahead looks set to be a major challenge for marketers.

Conversely, the likely impact of senior buy-in, skills and agency

capability are largely rejected by marketers as barriers for 2012. Although this is consistent with wave one of the research, it is inconsistent with the more in-depth analysis of wave two. Are marketers being dismissive, even bullish, about some of the issues that could hold them back from getting more value from social media? We will find out soon enough.

Budget and time again feature prominently as major barriers, though marketers remain confident on technology capability.



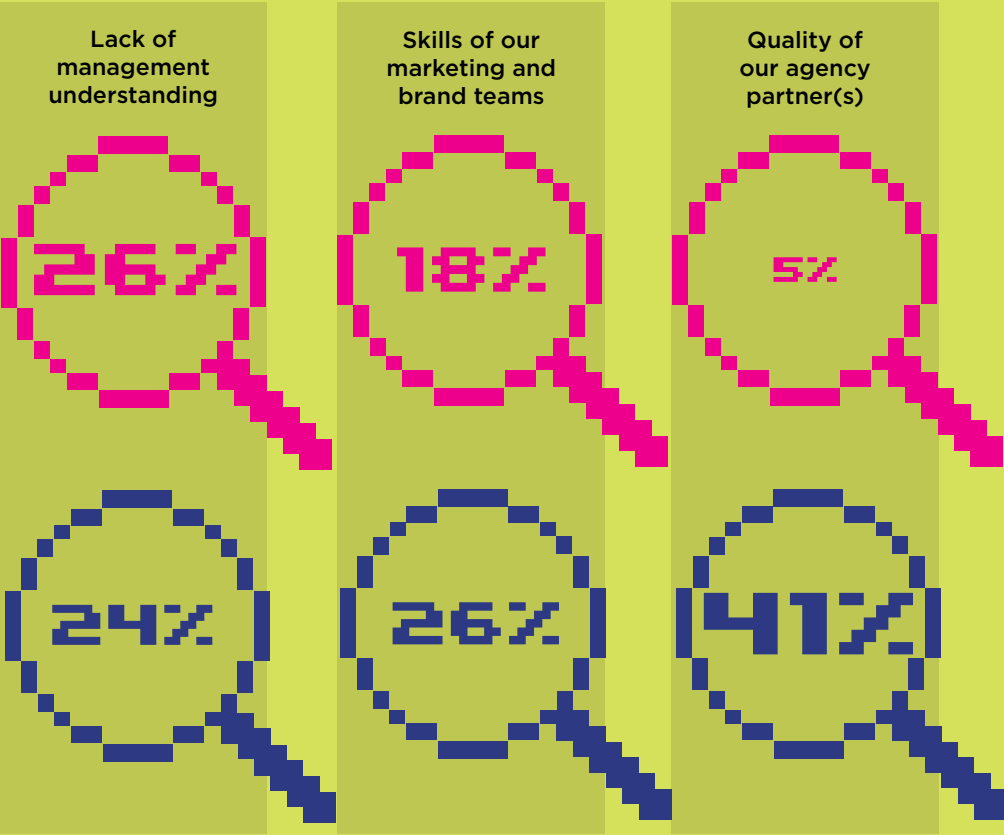
1. WHAT ARE THE INTERNAL BARRIERS?

So what should I do?

“Senior management buy-in is a big problem for us,” admits Andrea Clatworthy. “As with many companies, this team is the most traditional in terms of mindset and often the oldest too. Yes, they are aware of social media, but getting them to understand the true value in marketing terms is a huge barrier. So we are focusing on proving the value and that means measuring more. We are doing this piece of work in the broadest terms. After all, the

ROI of social media isn’t always financial. Our aim is to convince this top team that interaction in the social space is going to happen with or without our involvement. We can watch the conversation take place or we can try and own and guide it.”

Marketers once again are upbeat on the likely impact of senior buy-in, skills and agency capability.



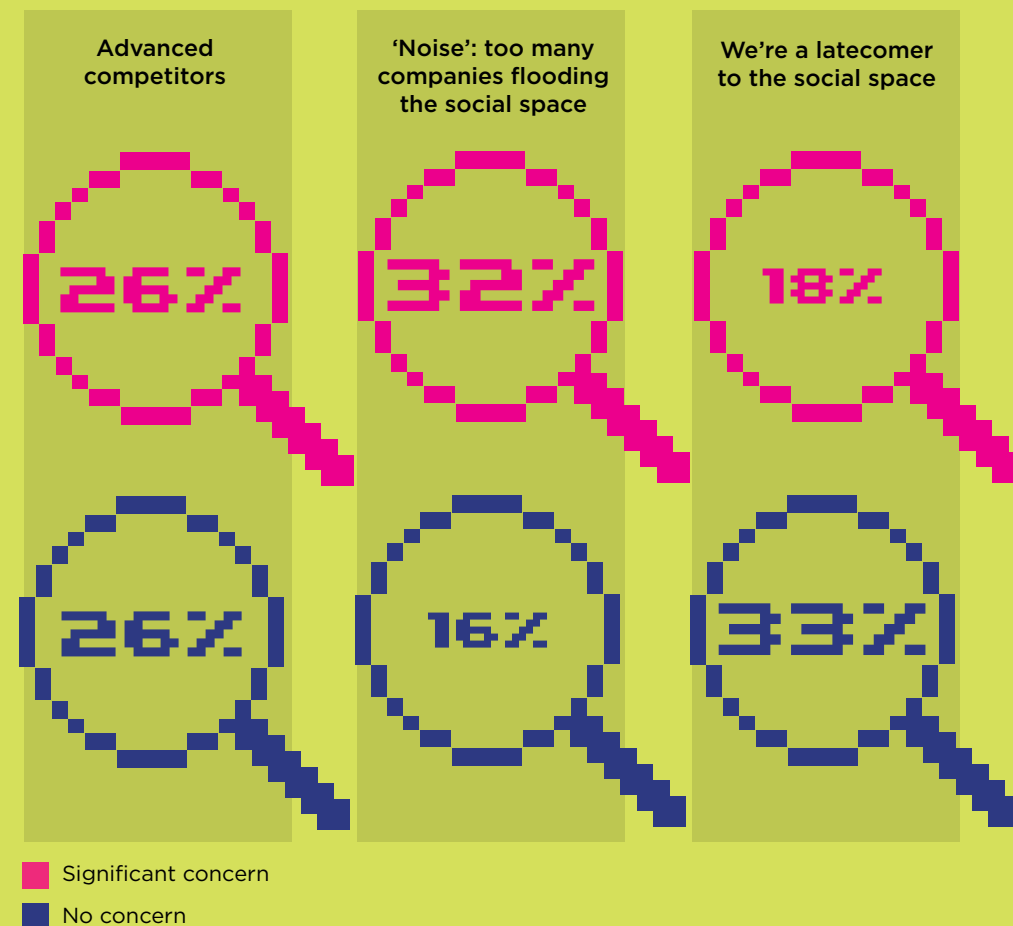
Significant barrier to progress
No problem at all

2. WHAT ARE THE EXTERNAL BARRIERS?

In the mad rush to go social, corporations often complain of struggling to sustain effective marketing efforts in the overcrowded social media landscape. Many spend valuable resources trying to derive the social formula to success, only to obtain lacklustre results that could even adversely impact their overall communication efforts.

No wonder our report highlights this flooding of the social space, as well as advanced competitors, as major external barriers for today's marketers. What is surprising, however, is that marketers broadly reject the idea that there could be a potential backlash by customers in response to this overload of brands on social media platforms.

Marketers recognise risks in competitive moves and 'noise' in the social space (or overcrowding).

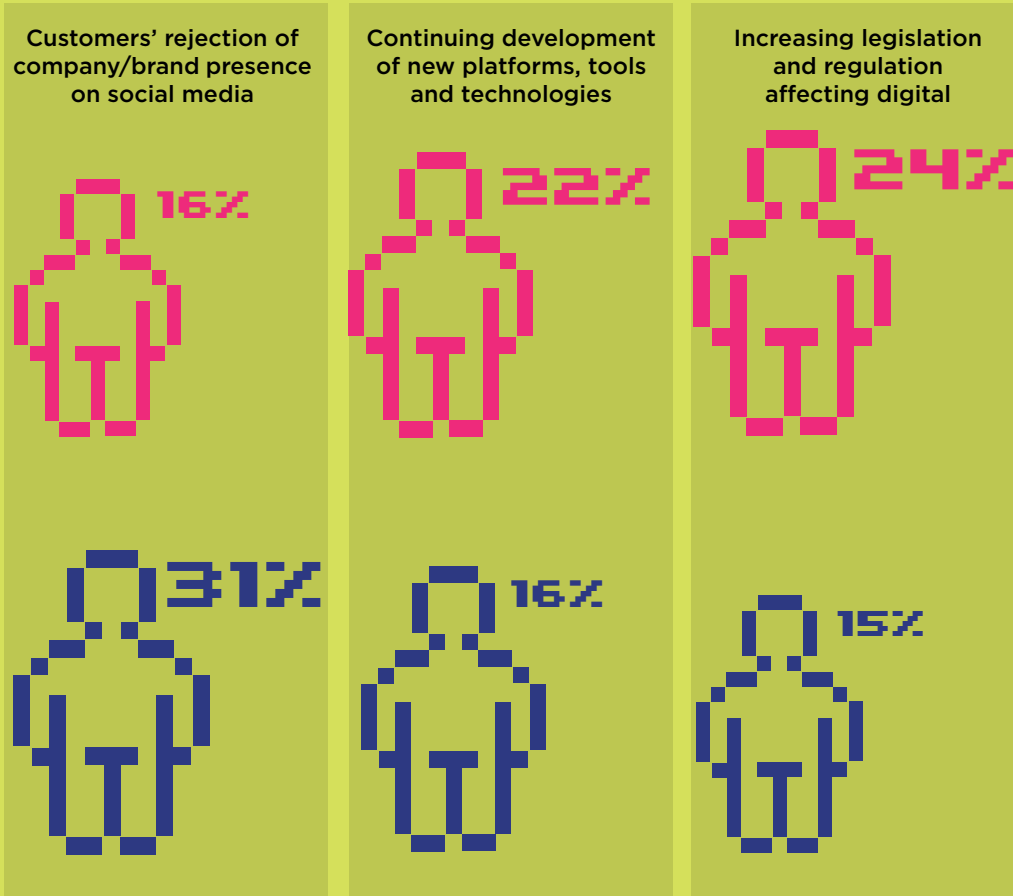


2. WHAT ARE THE EXTERNAL BARRIERS?

So what should I do?

“It seems to me that this potential backlash is the biggest risk of all to the overcrowding problem. For us, the solution has been to remember that we can all say a million things, but that sometimes it’s better to say just a few things clearly, directly and innovatively through a small suite of media that is most likely to hit your market. Otherwise you are into blunder buss marketing, which is never an effective way to use resources,” says Jonathan Geldart, Grant Thornton.

But they broadly reject a potential backlash by customers to an overload of brands on social media platforms.



■ Significant concern
■ No concern

CONCLUSION

Social media eliminates the middleman, providing brands with a unique opportunity to have a direct relationship with customers. But our study shows marketers are failing to maximise this tremendous opportunity.

Much of this comes down to the basics. If marketers aren't personally active in the digital sphere, how can they expect to master the digital sphere in a business context? Similarly, if marketers fail to make social media central to their marketing strategy and do not monitor and listen effectively, it should hardly be surprising that social media isn't having the impact it could and indeed should. But this is not a blame game. For many marketers, the biggest challenges in utilising the digital arena are beyond their control, with budget, time and skills

shortages posing a significant – albeit again basic – threat.

This second wave of research is not all doom and gloom. Far from it, we found that marketers are at the forefront of their organisations when it comes to management and content of social media and that their plans for future use are impressive.

It is clear that marketers, in the main, recognise social media as more than just a set of new channels for marketing messages. Rather, they realise that it is an opportunity for companies to completely change the way they do business. Our next, third wave of research will give us an even clearer picture of the things they are doing – or indeed failing to do – on their social media journey.

If marketers aren't personally active in the digital sphere, how can they expect to master the digital sphere in a business context?

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ISBN: 978-1-907368-20-2

SOCIAL MEDIA BENCHMARK

WAVE TWO, SPRING 2012

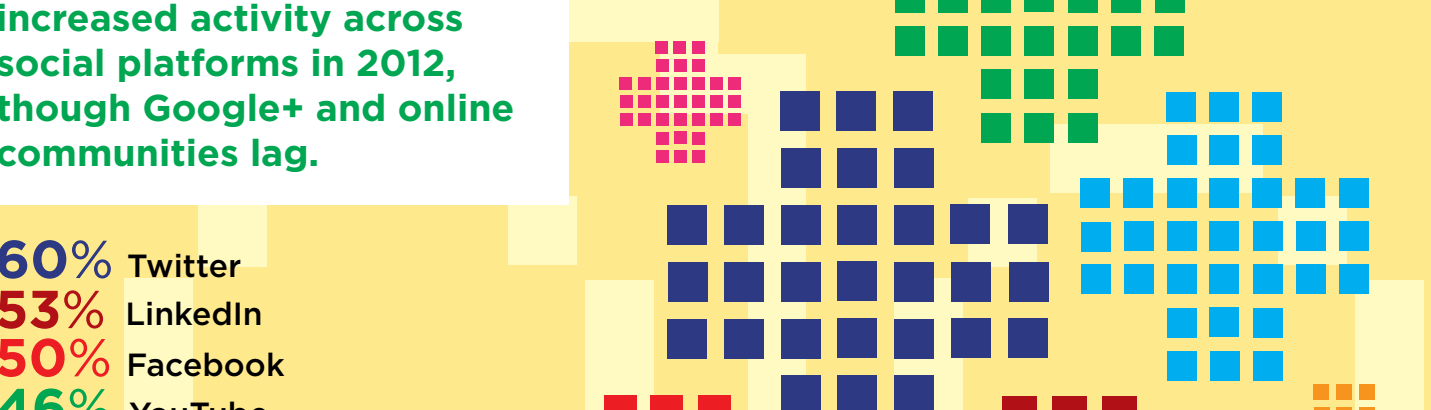
The Social Media Benchmark is our definitive guide investigating how businesses are adapting to, investing in and getting value from social media. The second wave of this six-monthly study explores marketers' personal use of social media; skills and talent; data, privacy and regulation; listening and monitoring; and future barriers.

Brought to you by The Chartered Institute of Marketing, supported by Ipsos ASI, Bloomberg, Bazaarvoice and GfM.

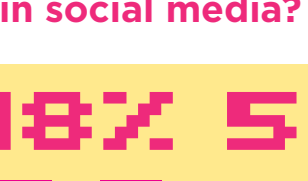
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USAGE, INVESTMENT AND RESOURCE

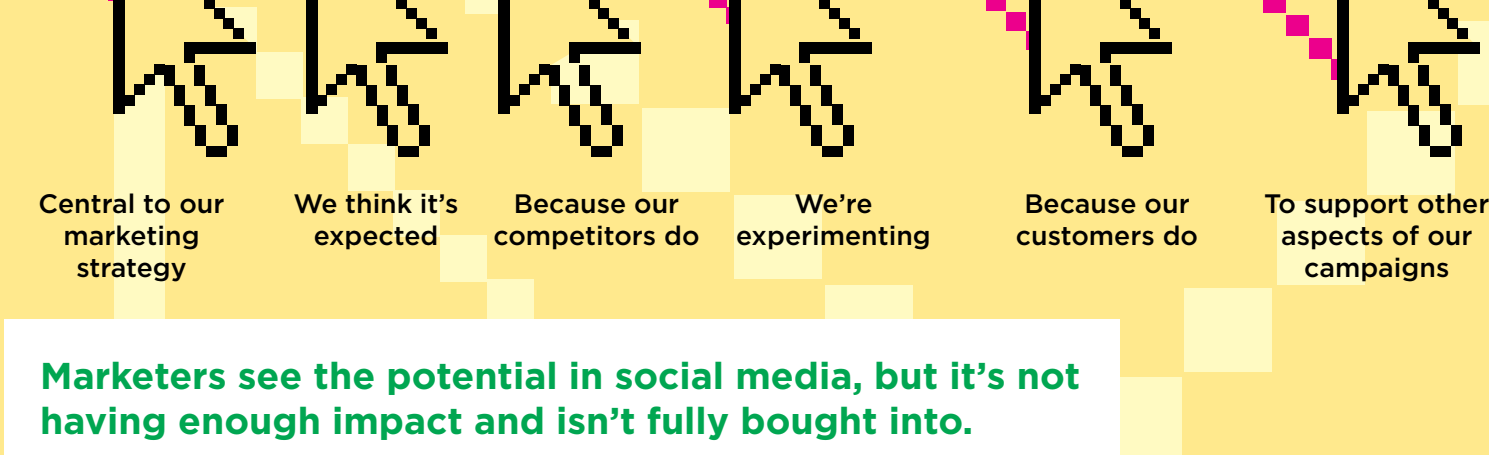
How many businesses are using social media as a core part of their marketing activities?



Marketers plan significantly increased activity across social platforms in 2012, though Google+ and online communities lag.



What is the main reason why organisations invest in social media?

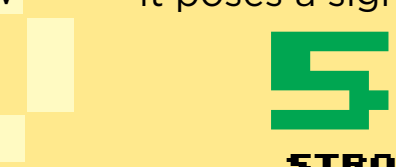


Marketers see the potential in social media, but it's not having enough impact and isn't fully bought into.

Senior managers fully understand why we use social



We can integrate social with other comms channels



We're getting as much value from social as we can



It has great potential as a tool to help our business grow

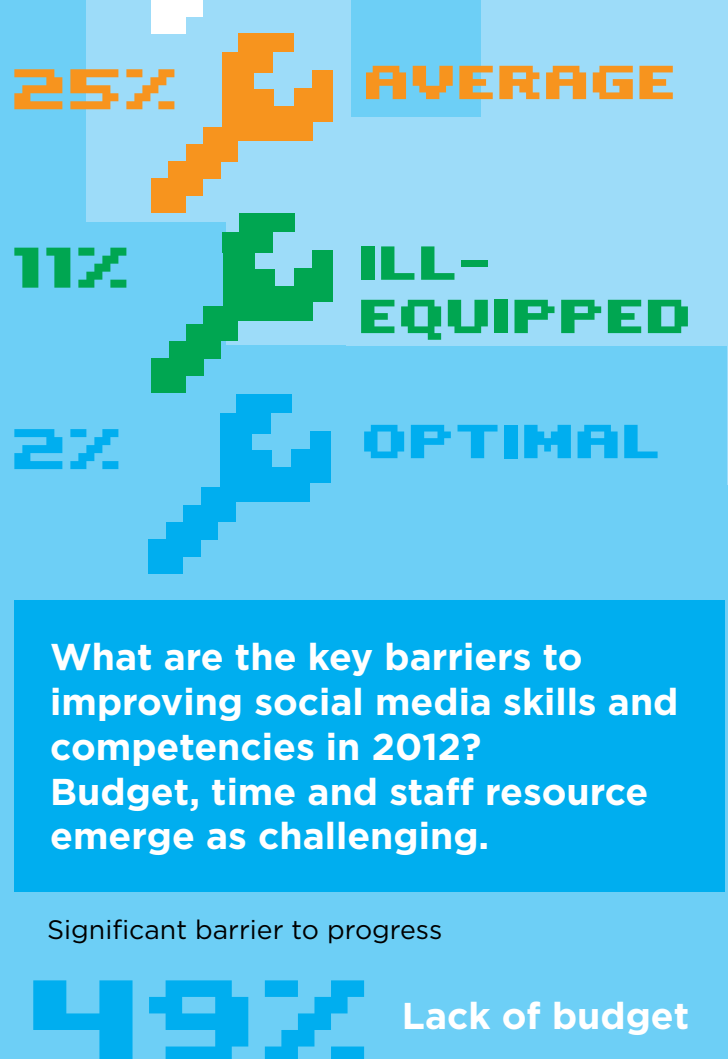


If left unmonitored and unmanaged, it poses a significant reputation risk

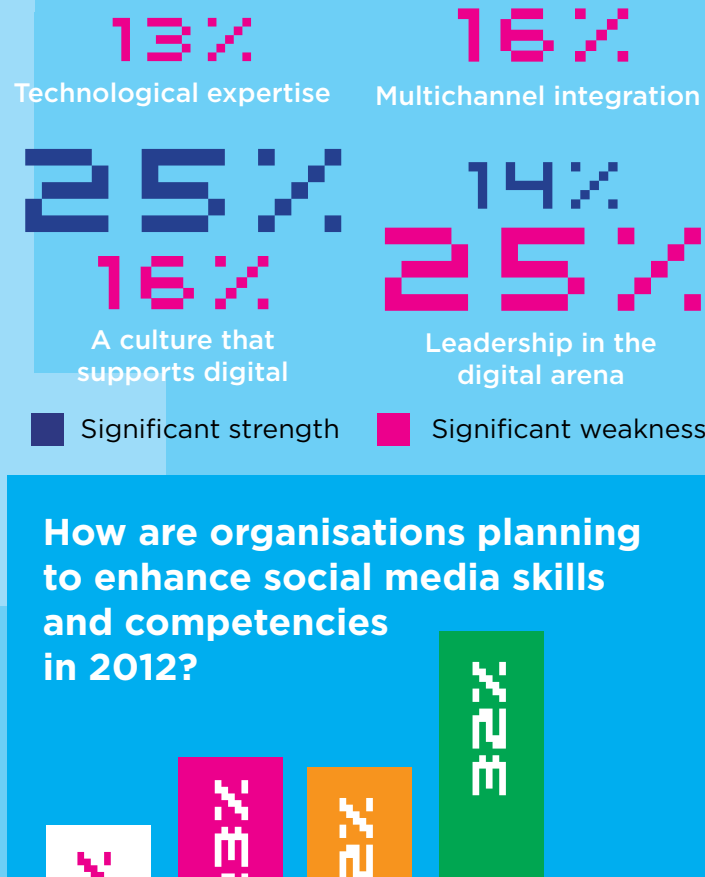


SKILLS AND TALENT

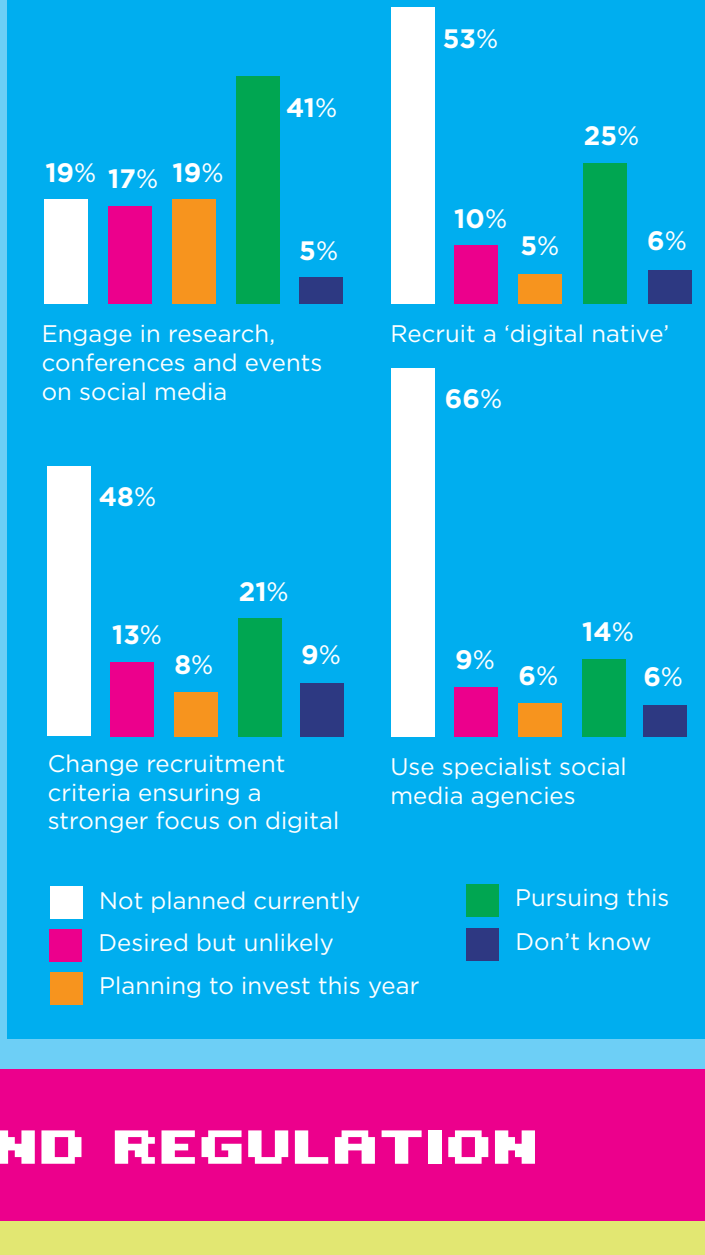
Overall, how do marketers rate the strength of their company's skills and competencies to leverage and manage social media effectively in 2012?



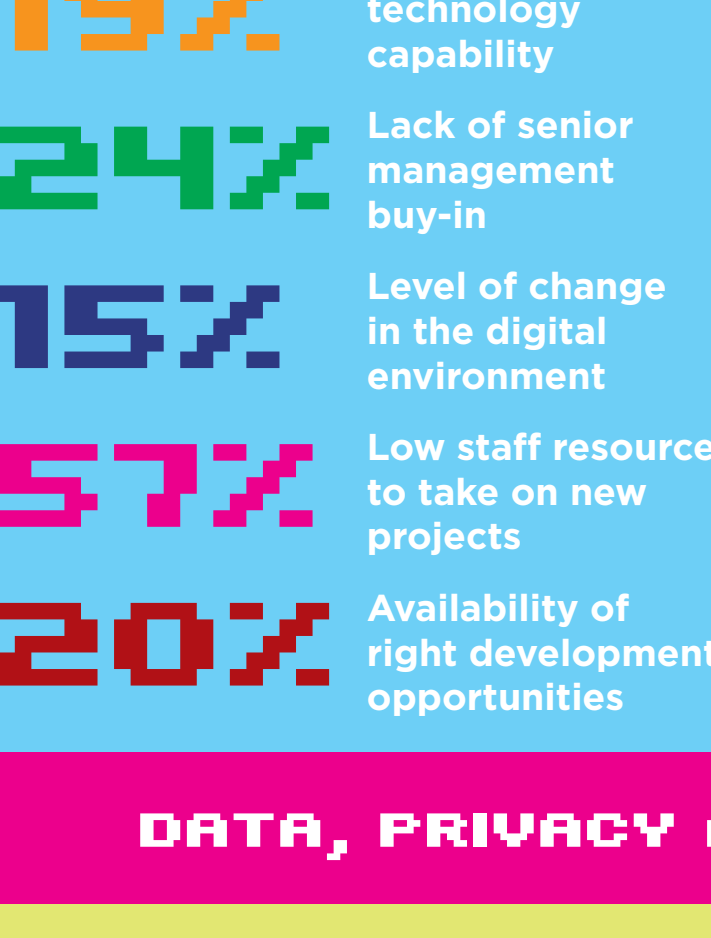
Strengths and weaknesses: how do marketers rate their organisation's digital capabilities?



How are organisations planning to enhance social media skills and competencies in 2012?



What are the key barriers to improving social media skills and competencies in 2012?

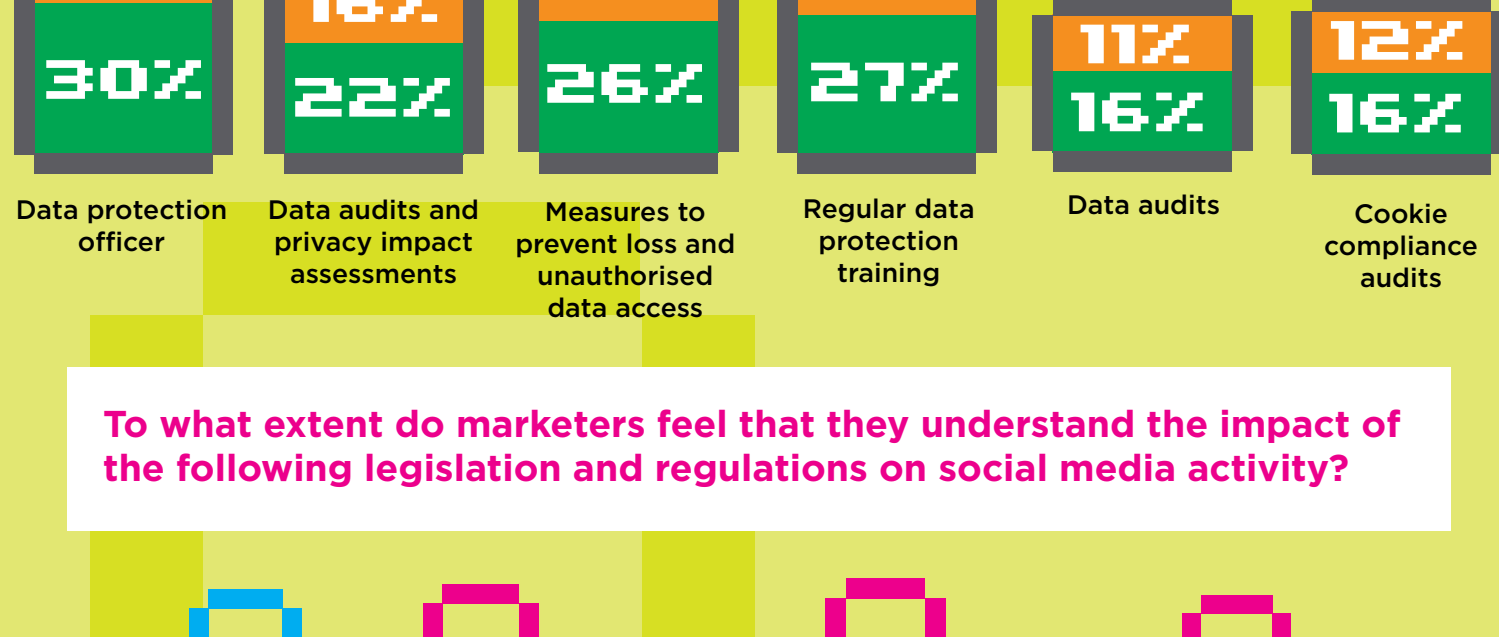


DATA, PRIVACY AND REGULATION

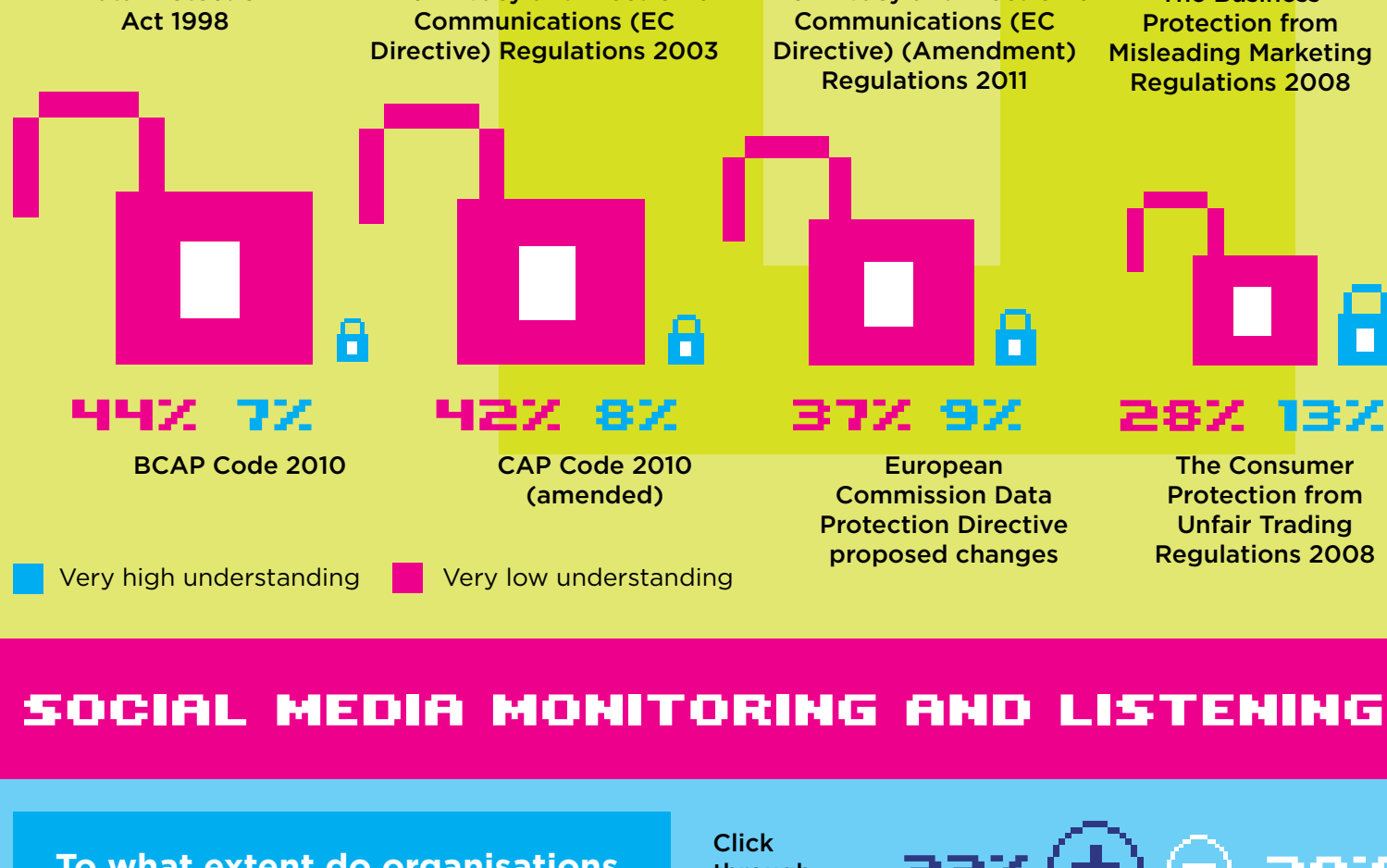
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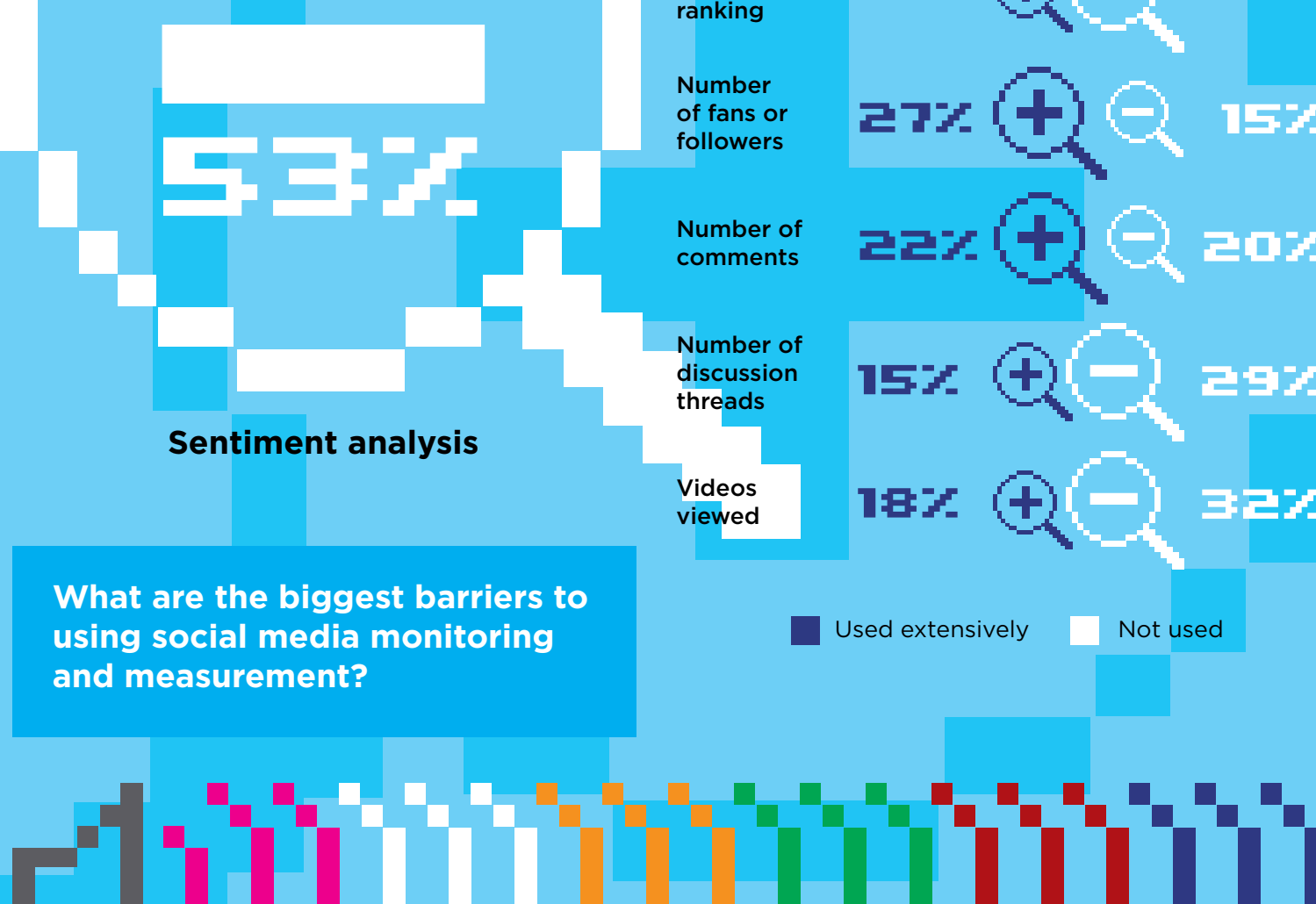


To what extent do marketers feel that they understand the impact of the following legislation and regulations on social media activity?

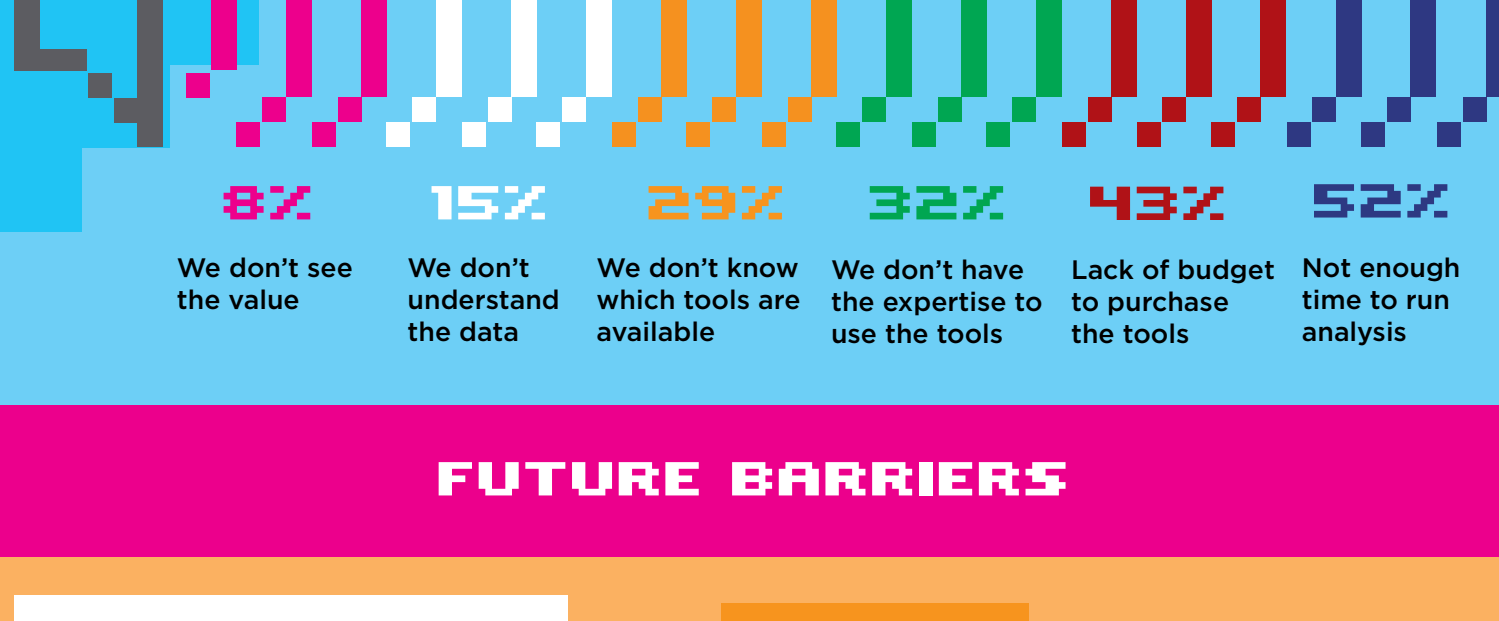


SOCIAL MEDIA MONITORING AND LISTENING

To what extent do organisations use the following types of monitoring and measurement for social media activities?

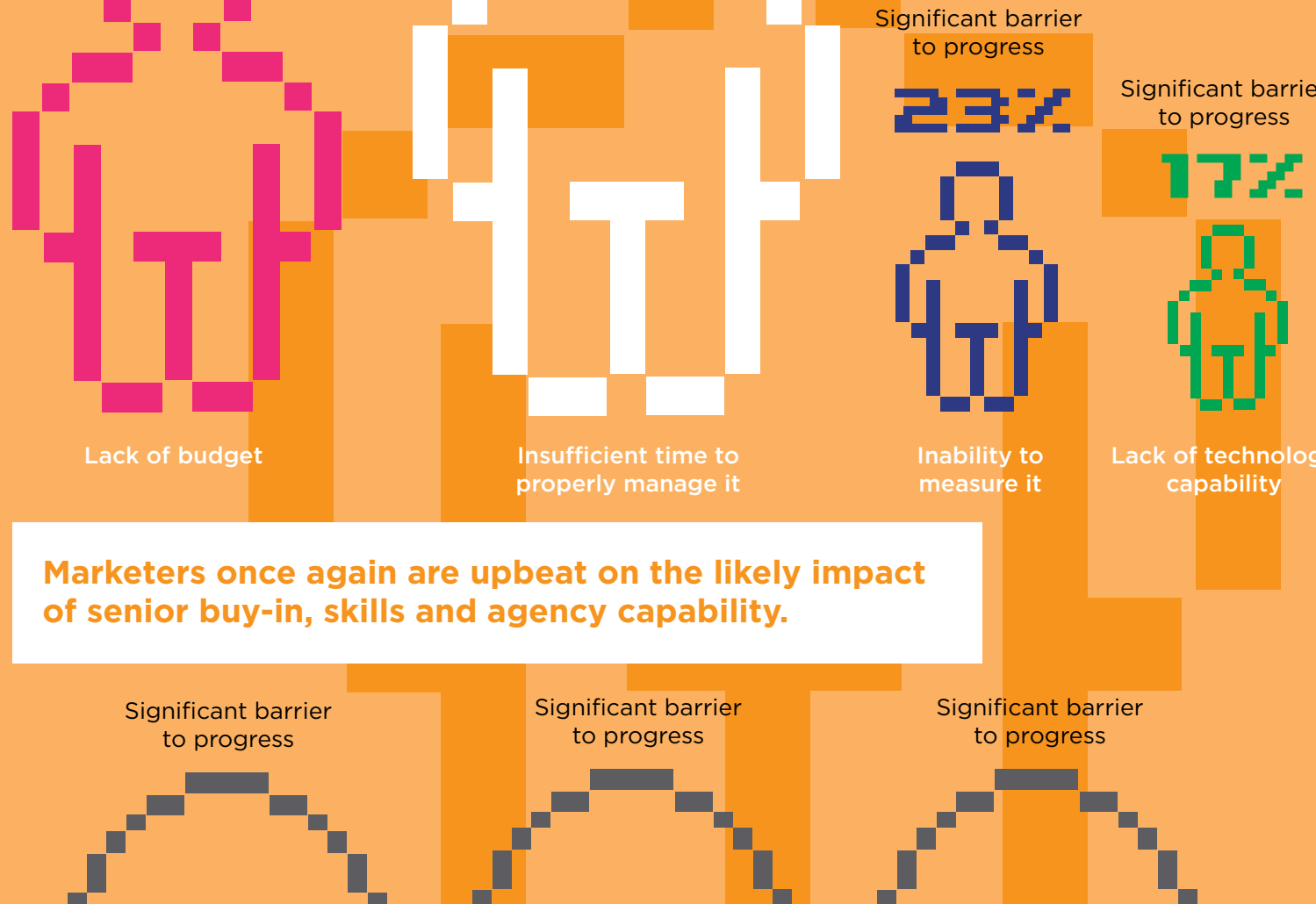


What are the biggest barriers to using social media monitoring and measurement?



FUTURE BARRIERS

Over the next 12 months, what are the key internal barriers to getting more value from social media?



Marketers once again are upbeat on the likely impact of senior buy-in, skills and agency capability.