

## WITH FEELING

**Consumers will engage socially with brand if they feel an emotional connection**

**A new study from The Shopper Technology and Partners in Loyalty Marketing confirm that** consumers are eager to connect with a brand through social media—but there has to be an emotional tie to the brand and the value delivered.



This means that to be successful, social media campaigns should offer something consumers can grab on to, like coupons, combined with intangible content such as recipes and tips that makes the user feel understood and valued by the brand.

"CPG manufacturers see potential in social media for connecting with consumers and creating brand awareness," John Karolefski, executive director of the Shopper Technology Institute, said. "But there are challenges that need to be addressed in terms of measuring success and determining ROI."

In the survey, 9 out of 10 CPG manufacturers (89%) reported including social media in their marketing plan, the survey found. The most commonly used social media platforms are Facebook and Twitter. Only 11% of those surveyed do not use either one.

As for the budgets, two of three respondents (66%) said that social media accounts for less than 5% of their marketing budget. But a whopping 76% say that the budget for social media has increased this year compared to 2010. About one of four (23%)

reported no change, while only 1% saw a decline, the survey said.

But the big sticking point, and the most difficult to justify to the boss is the measurability of social media with few marketers able to tie social media investments to sales increases. According to write-in comments by survey respondents, the lack of success in social media is often due to a lack of organization or buy-in, as well as inadequate planning and resources.

"To date, metrics are mostly limited to consumer feedback and fan/postings counts," said Michael Schiff, managing partner of PILM.

Only 6% of respondents rely on qualitative measures, 31% use consumer metrics, and 20% use both. Some 21% look to increases in sales and unit volume, while 22% don't even bother to measure social media at all.

On the qualitative side, 40% of those surveyed are analyzing conversations and gaining insights, while 43% aren't doing so, but plan to. Seventeen percent aren't analyzing and don't have plans to start.

As a result, about half of survey respondents (48%) say social media has only been "slightly successful" in achieving their business objectives. Only 2% say it has been "very successful," while 18% say it has been "moderately successful." On the other hand, a third of respondents (32%) say social media has been "unsuccessful" in helping them achieve their business objectives.

When asked how measureable social media is in terms of ROI, only a quarter of survey respondents said "highly/moderately." Some 43% said "slightly" and 13% said it's not measureable at all. Nineteen percent didn't know or had no opinion.

"The lack of evaluation and weak metrics have implications for future budgets and growth," Schiff said.

The two main reasons why CPG marketers use social media are to "build brand awareness" (48%) and to "connect with consumers" (41%). "Building market share" was cited by only 5% of survey respondents, and "increase sales" garnered 6%.

The online survey was fielded in June 2011. The respondents included some 126 marketers of food, beverage, health and beauty care, and general merchandise brands. —PATRICIA ODELL

### KICKER:

## (Radio-) Active Links

A recent study by link-shortening platform bit.ly measured the "half-life" of shared links — that is, the rate at which the clicks they get fall off, similar to measuring decay in radioactive substances.

**The findings:** If you want a longer-lasting link, get it on video. Shared links from YouTube have a mean half life of 7.4 hours, compared to 2.8 hours for links shared on Twitter. Facebook shared links fall in the middle (half life of 3.2 hours), as do links shared over direct sources such as email or instant messaging (3.4 hours).

Of course, these are aggregate results; the most important factor in link life is what is shared. "The lifespan of your link is more connected to what content it points to than where you post it," says the bit.ly blog. "On the social web, it's all about what you share, not where you share it." —BRIAN QUINTON



## CASE STUDY:

# A Look at Roaman's Leap into Facebook Commerce

Ever since ecommerce pioneer **1-800-Flowers.com** in July 2009 gave Facebook users a chance to initiate a sale via its page on the social network, the concept of F-commerce has generated a lot of buzz.

After all, merchants are eager to monetize the efforts they've put into maintaining a presence on the social network site — which now boasts more than 750 million users. But until now, few marketers have really bought into F-commerce.

"There hasn't been a lot of financial data shared about Facebook stores," says Sue Beckett, vice president-marketing for plus-size women's apparel merchant Roaman's.

### So why did Roaman's launch a Facebook store this past May?

The cataloger's technology vendors late last year began telling Roaman's "that we need to be early adopters, and we need the exposure" of a Facebook store, Beckett says. But Roaman's—part of the Redcats USA retailer stable—saw Facebook commerce as an enhanced marketing tool and a branding opportunity. If its social store generated any significant sales, that would be a bonus.

"We looked at Facebook commerce because we wanted to be where our customers are," Beckett says. "The latest growth segment for Facebook had been women over the age of 50, and that is our target customer, so we wanted to be where we could make a connection."

### WHAT IS F-COMMERCE?

Facebook commerce is a subset of social commerce. In this case, merchants create ecommerce storefronts within Facebook that are connected to their Facebook pages. By setting up shop in the social media platform, the end-users can "like" and share a merchant's items with their Facebook friends, and—in theory—make those items viral and increase sales of them.

Facebook stores can be either app-based, or built using Facebook's iframes platform. (Until this past March, the stores were built using FBML—Facebook's markup language.)

If a merchant already has a Facebook page, why would it need a Facebook store? While most



marketers tout the social network giant's ability to enable them to connect with customers and enhance their brands, let's face it: Everybody wants to make more money. F-commerce can help make that happen.

How? Keep in mind that the life cycle of any item you post on your Facebook page is short, depending on the number of friends you have,

says Christian Taylor, founder/CEO of social media platform provider Payvment. The people who like your page and have not chosen to hide your posts have an average of five minutes or less to react to your offer before it falls off their walls.

So while the items you post on your Facebook page have a short-term effect, a Facebook store allows a merchant to include promotions or other content on its page that has a long-term shelf life. Users can browse, share and buy your inventory at their leisure without having to leave Facebook.

### BRAND BUILDING

There's no question that F-commerce helps with branding or, in Roaman's case, rebranding. The 109-year-old merchant last year reinvented itself to attract younger customers, with more fashionable apparel and a website/catalog overhaul. Social media played a big part in getting the message out.

Roaman's already had a large house file—1.2 million customers—but Beckett says its brand awareness was not where it should be. F-commerce enables the merchant to promote its fashion-forwardness via products.

For instance, using its web analytics, Roaman's changes its Facebook store top navigation based on sales trends. So if tunics are the hot item that day, tunics will get more play on the front page of the Facebook store than less popular apparel. But the entire Roaman's line can be searched through the Facebook store, since it is fueled by the merchant's RSS feed. —TIM PARRY

## Slow Traffic in the Check-In Lane

**LOCATION-BASED SERVICES SUCH AS FOURSQUARE AND GOWALLA HAVE BEEN LAUDED** by marketers for their capacity to

know where a mobile user is and how often he or she returns, and to serve up special offers or rewards to encourage visits and other behavior.

But a new study from the Pew Research Center has found that only 12% of U.S. smartphone owners use their devices to tell their social graph where they are and what they're doing. Compared to the percentages who do other things on their smartphones, such

as accessing social media (59%) or getting directions or recommendations specific to their locations (55%), that's pretty small.

The percentage rises somewhat among those smartphone owners 18-29, but even among that group, only 15% of users check in on these geosocial platforms.

Bad news, Twitter. On average, only 15% of smartphone owners used them to post messages to the real-time service. —BQ

