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2011: Now Social Media Marketing Gets Tough

Saturation, Stagnation, And Privacy Concerns Challenge Social Media Marketers

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EXECUTIVE SUMMARY

Social media marketing was never easy, and it will get no easier in 2011. Consumers' increasing concerns over noise and privacy will decrease the relatively open access marketers have enjoyed in social channels. The easiest tactics will be the least effective, forcing marketers to bring the same kind of creativity, audience differentiation, and strategy that they bring in other channels. The news isn't all bad — marketers will find that they can successfully use paid and earned media to cut through the noise, and social media will increasingly be recognized as core to marketing strategy in 2011.

MATURING SOCIAL MEDIA BRINGS FRESH SET OF MARKETING CHALLENGES

Don't expect social media marketing to get any easier in 2011 — rapidly growing and changing platforms, increasing and evolving consumer expectations, emerging best practices, and a lack of unified metrics will continue to challenge brands in social venues. Additionally, maturing social media brings a fresh wave of new challenges for marketers. In 2011, marketers will be thwarted by:

- **The deafening clutter of social media.** In the US, 59% of adults are now what Forrester calls Joiners, meaning they maintain profiles on or visit social networking sites.¹ That's a lot of people making a lot of status updates, and the challenge is even worse for younger consumers — 80% of Gen Yers are Joiners and they have an average of 220 Facebook friends.² The fire hose of social media continues to grow, not just with messages from friends but a growing stream of check-ins, deals, sweepstakes, and loyalty program updates from marketers.
- **Marketers jostling for attention.** Almost 60% of marketers are already using paid or created social media, and another quarter plan to within 12 months — just one in six companies will be absent from social channels a year from now.³ And the number of marketers who expect to increase their social media spend in 2011 is seven times greater than those who expect a decrease.⁴ But although brands will be present on Facebook, will consumers connect? Fewer than one in five US online users have become "friends" with or "liked" a brand on a social network in the past three months.⁵
- **Consumers' privacy fears increasing.** Getting people to click a "like" button or allow an application to access their social media data will be tougher in the coming year. The percentage of adults who are very concerned about their privacy on social networks increased from 30% to 36% in the past year, and apprehension is increasing much faster for older adults than younger.⁶

This coming year will be one where mere presence in social channels is no longer enough; instead, brands will be challenged to bring the same creativity and differentiation to social as they do to other marketing and communication channels. In 2011, the gloves come off for marketers in social media.

BRANDS GET CREATIVE TO SUCCEED IN 2011

In 2011, the brands that succeed in social media marketing will be the ones that follow in the footsteps of Best Buy and Procter & Gamble, driving true brand differentiation in social media marketing channels. For example, Best Buy combated online retailers with Twelpforce, its Twitter help force powered by local store “blue shirts” and customer service people by the thousands, while P&G’s Secret brand created a sense of community around issues close to the hearts of its female customer base. In 2011, presence is no longer a differentiator; the winners will be those brands that get creative.

- **Social media becomes central to marketing strategy.** Web marketing started the same way: In the early days of the Internet, marketing strategy was considered and completed before a digital marketer was asked how a Web site or online campaign might support that strategy. Today digital is close to the core of most successful brands, and in 2011, social will quickly follow suit, at least for those leading-edge marketers within more progressive firms. For socially mature companies, successful marketing programs this year will have attention and advocacy in social channels as an integral foundation rather than an afterthought.

What it means: Successful brands in 2011 will use social media data and involve social media strategists at the earliest stages of planning for marketing programs and campaigns. Moreover, marketers must now consider how their brands will be differentiated from other brands in the social space. Lookalike marketing strategies have never worked in other channels, and they won’t work in social. The new brand platform won’t simply consider how a brand looks and feels but also how it socializes.

- **Relevance filters remove social spam and bury unprepared marketers.** Email providers implemented spam filters to protect users from unwanted marketing messages, and in 2011, watch for social networks to do the same. As Gerardo Dada, senior director of product marketing at Bazaarvoice, notes, “The signal-to-noise ratio in social media is particularly bad.” To retain a high level of engagement, social tools will increasingly promote the things users care about — such as status updates from friends and interesting news — while shielding users from social media noise (i.e., marketers’ promotional messages, consumer check-ins, etc.).

What it means: In 2011, it will be essential but nowhere near sufficient to persuade consumers to check in at your locations and “like” your brand. Advocacy that rises above spam filters will not come from clicks of a “like” button but instead demand true creative differentiation that fosters richer and more meaningful engagement. As noted by Mark Carbone in The Forrester Community For Interactive Marketing Professionals, “It’s going to be five times harder to get

through the noise this year now that social media is mainstream.”⁷ Now is the time to expand your use of the POST process and really focus on strategies customers will find most relevant and worthy of attention. Also, marketers who want to offer relevant content need not do it all themselves; they can select and share the content created by bloggers, Twitterers, and others in social channels. Sam Decker, CEO of Mass Relevance, points out that “The capability to find, curate, and display relevant social content will become a competitive advantage for brands that want to attract an audience.”

- **Paid social media becomes a bigger tool in the arsenal.** Thus far, paid media has been the stepchild of the social family. In 2011, it gets legitimate — with caveats. As Facebook advertising matures and Twitter’s Promoted Tweets roll out to marketers of all sizes, paid media will become a key tool for marketers to overcome social media clutter but only if they understand the new rules for the advertising road.

What it means: Advertising in social venues requires a cohesive strategy to increase attention and engagement by combining owned, earned, and paid tactics. Marketers who simply seek to buy impressions will be disappointed, but those who make media buying part of a strategy to create more earned media will deliver results. Paid advertising in social channels will focus on a different portion of the marketing funnel than in other media, with less focus on filling the funnel and more on advertising to current customers who can help to fill the funnel for you.

- **Mistrust multiplies.** Many things are called “king” in social media, including content, personality, and responsiveness, but in 2011, they all bow to the true emperor of social media: trust. People, particularly older adults, are already very concerned about their privacy, and this will only increase in 2011 as stories proliferate of applications selling data, security breaches, and social malware. Consumers will be more hesitant to friend brands, authorize applications, and participate in branded social programs. The brands that will enjoy the greatest efficiency and create the most affinity and advocacy per social media dollar spent will be those that focus on earning trust.⁸

What it means: Does your Web site invite visitors to “join us on Facebook” or “follow us on Twitter”? If so, does it tell people why they should? For far too many brands, the answers to those questions are yes and no, respectively. When Amazon.com launched its connection with Facebook, it didn’t just add “like” buttons to every product; instead, it created a page that told consumers what data it would collect, how it would use that data, and the benefits of connecting with Amazon. The time has long since come for marketers to follow Amazon’s lead and operate with greater transparency and consideration for how trust is earned or lost.

- **Facebook does not own social media in 2011.** Next year, successful social media programs won’t be on Facebook, at least not exclusively. Winning brands will exploit Facebook as just one point of engagement while using other social platforms to create richer and deeper relationships.

There are key customer segments that require brands to think outside the “Facebook.” For example, while 59% of the adult US population is Joiners, just 45% of men ages 45 to 54 have Joiner behaviors.⁹ And for many niche audiences, Facebook is just one piece of the social media pie.

What it means: Facebook is unavoidable for marketers, but that doesn’t mean social media marketing starts and stops there. Blogs and forums don’t earn as much buzz as Facebook, but they remain effective channels for mass influence.¹⁰ And within specific audiences there are niche social sites that deliver results, such as deviantART for designers and artists, Sermo for physicians, and Goodreads for bookworms.

- **Location-based services (LBSes) grow but won’t yet be mainstream.** For all the headlines that foursquare, Facebook Places, and other LBSes get, they are niche players and will remain so in 2011. Growth will certainly not be insubstantial in 2011, but don’t look for a “hockey stick” moment that powers LBSes into the mainstream this year; there just aren’t enough people carrying GPS-enabled smartphones to create that sort of mainstream surge. At the same time, LBS tools will continue to evolve rapidly and add new and powerful features; Phil Soffer, vice president of product marketing at Lithium Technologies, expects retailers to use LBSes to connect people in stores to product experts.

What it means: Despite the limits to growth in LBS, many marketers will and should ramp up their location-based marketing, but they must do so with a long-term strategy in mind. In 2010, Facebook “likes” have been the primary signals of affinity in social media, but in the future an even stronger affinity signal will be repeated check-ins, not a single click of a button. While LBSes may deliver short-term results within niche audiences in 2011, the marketers that succeed in 2012 and beyond will be those who consider LBSes for long-term gain.

- **Social media becomes a true mass medium — for a small number of brands.** Hawaii Five-0, the most popular new show of this television season, averages approximately 11 million viewers live plus same day while Coca-Cola’s fan page on Facebook counts almost twice as many fans.¹¹ But despite the large legions of fans and followers some brands have amassed, social media is still not delivering the sort of mass impressions to which marketers are accustomed in traditional channels. In 2011, look for a few brands to break that barrier with innovative social media programs that deliver on the promise of social media as a mass medium.

What it means: Marketers are used to segmenting audiences by behaviors and demographics, but despite discussion of influence, most brands are doing little to segment influencers beyond social PR efforts aimed at the largest and most influential bloggers. For social media to reach a mass audience, marketers must segment and engage their Mass Influencers — the minority of people in social media responsible for the majority of influence posts and impressions — with unique programs that combine the best of marketing and PR. For most brands, Mass Influencers number in the hundreds of thousands or millions, so it’s vital to understand

that “influencers aren’t on lists like the *Ad Age* Power 150,” as noted by Ian Greenleigh in The Forrester Community For Interactive Marketing Professionals.¹² Finding, attracting, and promoting Mass Influencers and arming them with the content and experiences that turn them into advocates is the key to making social media a mass medium in 2011.

RECOMMENDATIONS

MARKETERS GET STRATEGIC TO CREATE SOCIAL SUCCESS

Successful traditional marketing was never about buying impressions, and successful social media marketing won’t be about merely creating impressions. In 2011, success and differentiation within social channels will come from distinctions in strategy and not just tactics. Being present in your customers’ preferred social channels may be a best practice, but superior social media marketing results will only be delivered by:

- **Focusing on engagement².** It isn’t enough to get customers to connect their loyalty cards to their social networks; if their friends block or don’t see those loyalty updates, then the investment is wasted. That’s engagement² — not just motivating action with consumers but motivating action that, in turn, will engage others rather than getting lost in the clutter. Focusing on engagement² requires new strategies and new metrics, and these metrics cannot simply count tweets, check-ins, or likes but must consider the business or brand impact those messages make. A million friends on Facebook matters little if those million make no positive impression on the tens of millions to whom they are connected.
- **Working as much internally as externally.** If a groundswell of consumers on Twitter complains that a product disappoints, is this a product development issue or a marketing one? If a customer service representative picks a fight with customers on Facebook, is this a service issue or a marketing one? Every employee is a marketer, whether he or she recognizes it, so getting strategic in 2011 means empowering employees. Marketers cannot focus on Facebook ads or viral campaigns while ignoring the brand impact of hundreds of voices creating disparate versions of the brand in social venues. Marketers must do more than just create guidelines — they must focus on enterprisewide brand training, coaching, and monitoring.
- **Moving past ROI paralysis.** ROI is important and should be measured as much as possible, but it shouldn’t stop marketers from doing what is essential to protect and enhance their brands in social media. Given consumers’ widespread adoption of social media in 2011, it is no less a decision to limit social media engagement as it is to embrace it. There are no cost-free decisions any longer — even doing nothing incurs costs and risks. As Phil Soffer notes, “Revenue attributed to Twitter is actually cannibalized from other channels,” but failing to be in Twitter means losing the opportunity for that revenue.

ENDNOTES

- ¹ The percentage of US adults who are Joiners grew from 51% to 59% in the past year. See the September 28, 2010, "[A Global Update Of Social Technographics](#)" report.
- ² In addition to an average of 220 Facebook friends, Gen Y consumers also are connected to an average of 147 people on MySpace and 86 on Twitter. See the October 4, 2010, "[Defeating Social Clutter](#)" report.
- ³ Just 16% of marketers indicate they have no plans to use either paid or created social media in the next year. Source: December 2010 US Interactive Marketing Executive Panel Survey.
- ⁴ In Q2 2010, 72% of marketers reported that their companies' 2010 US social media marketing budgets were less than \$250,000; in Q4, just 34% expect their 2011 budget to be less than \$250,000. Source: May 2010 US Interactive Marketing Online Survey and December 2010 US Interactive Marketing Executive Panel Survey.
- ⁵ Just 18% of US consumers report becoming a fan of a company or brand on a social networking site in the past three months, and fewer than 10% have participated in a brand- or company-sponsored forum or read a blog written by a company or brand. See the October 4, 2010, "[Defeating Social Clutter](#)" report.
- ⁶ The percentage of Gen X consumers who express concern about privacy on social networks increased from 30% to 33% in the past year, while that of Older Boomers (ages 54 to 64) increased from 32% to 50% in the same period. Source: North American Technographics® Interactive Marketing Online Benchmark Recontact Survey, Q2 2010 (US) and North American Technographics Interactive Marketing Online Survey, Q2 2009 (US).
- ⁷ Source: our discussion on 2011 social media predictions about social stagnation and brand differentiation in The Forrester Community For Interactive Marketing Professionals (<http://community.forrester.com/thread/3693?tstart=0>).
- ⁸ For financial services firms, for example, trust is an important driver of social media engagement. Fifty-two percent of Facebook or MySpace users who strongly agree with the statement "I trust financial service companies to treat me fairly and honestly" are willing to engage, versus 26% who strongly disagree. See the October 7, 2010, "[How US Financial Firms Should Approach Interacting With Consumers On Social Web Sites](#)" report.
- ⁹ Joiners are people who visit or maintain a profile in a social networking site at least monthly. See the January 15, 2010, "[Introducing The New Social Technographics®](#)" report.
- ¹⁰ Outside of social networks, blogs account for 40% of influence posts (within blog posts and comments) and discussion forums account for 29%. See the April 20, 2010, "[Peer Influence Analysis](#)" report.
- ¹¹ Source: "Week 13: CBS No. 1, taking 12 of last 13 weeks in viewers," Radio & Television Business Report, December 21, 2010 (http://www.rbr.com/tv-cable/tv-cable_ratings/week-13-cbs-no-1-taking-12-of-last-13-weeks-in-viewers.html).
- ¹² Source: our discussion on 2011 social media predictions in The Forrester Community For Interactive Marketing Professionals (<http://community.forrester.com/thread/3691?tstart=0>).

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