



In 2011, the social media landscape evolved rapidly - creating new opportunities, distractions, and strategies for brands, agencies and industry players alike. For example, in January 2011, we saw Facebook announce Facebook Places and Discounts to much fanfare, only to announce that in August both would be phased out. We also saw the rise of social marketing efforts for B2B companies, and we witnessed moments likely to echo far beyond 2011: the debut of Google+, the launch of Twitter Brand pages, the introduction of Facebook Timelines. and an amusing concession to social media silliness by the White House via the now infamous "rickroll."

Despite the chaotic and ever changing landscape, social media is here to stay. Consumers are voting for social with their attention, and digital marketing budgets are projected to exceed offline budgets for the first time ever in 2012. It's a great time to be a social marketer!

To help you in the year ahead, Wildfire brings you our top predictions for 2012.





#### WHY WILDFIRE?

We've worked with over 10k clients, run over 200k campaigns, driven 35M leads and are the only social media platform to have received an investment from Facebook's FbFund. In fact we power over 50 of Facebook's own pages, including the page with the highest fan count of all: over 56M fans.

#### **PREDICTION** ONE

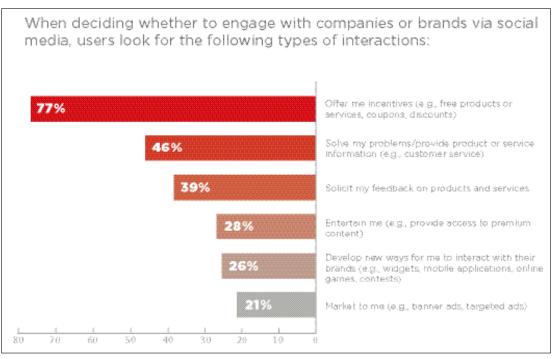
If 2011 was the year of growth, 2012 will be the year of engagement, as brands activate the fan bases they've worked so hard to build. A growing minority of marketers will pursue monetization goals as well. We have identified these as the three stages of goal development as companies mature their social media marketing efforts:

- Stage 1: Growth of the brand presence (fans, likes, follows, sign-ups and subscriptions)
- Stage 2: Engagement of the brand audience (comments, shares, and user generated content)
- Stage 3: Monetization of fans (qualified leads, or sales driven from social pages)

Last year, social marketers focused primarily on growth (fans, followers, likes, check-ins and sign-ups). In a recent "Wildfire ROI of Social Media Survey," 88% of marketers stated that "growing brand awareness" was the key benefit of social media.

No matter which goal you pursue, remember that users will respond best to the following types of social media interactions:





Source: Chief Marketing 2011 Social Marketing Survey

#### **PREDICTION TWO**

Rather than isolating social from the rest of the business, marketers will select social activities across all marketing channels based on their ability to deliver results for the business in consideration of social marketing budgets. Social strategy will be set by working backwards from individual business objectives to the campaigns best suited to achieve them.

In a recent Altimeter Group report, 70% of companies noted that their social efforts meet business objectives, yet only 43% of companies have a formal strategy roadmap for how social meets specific business goals.\* In our own 2011 "Wildfire ROI of Social Media Survey," more than 50% of marketers defined "growth of brand awareness or increased engagement" as the top definition of "Positive ROI." We found this interesting, as ROI is usually defined as revenue relative to costs. These survey results confirm a great opportunity for the social marketing industry to decide what we're measuring and how we're measuring it.



<sup>\*</sup>Source: Altimeter Report





#### **PREDICTION** THRFF

In 2011, we saw that a majority of brands' social marketing campaigns were unrelated to their advertisements in other channels. We might see one editorial campaign on a brand's website, only to see an entirely different campaign on Facebook, with no mention of either initiative via email, television or radio.

In 2012, Wildfire predicts that the industry will adopt an integrated social campaign approach, following the example of savvy social marketers like So Delicious, who linked their "Change Your Milk, Change Your Life" efforts across TV, outdoor, online and print advertising. The campaign, centered around celebrity spokesperson Jillian Michaels, reflected one brand message to audiences across Facebook, Twitter, MySpace, the company's website, the company's blog, Youtube, and print media.

The effort was worth it: the results from a 3-month, Wildfire-powered campaign, were enviable. So Delicious grew its fan base from 5,200 to over 59,000 fans - an increase of over 1,000%! The brand received 322,664 total sweepstakes entries, averaging 3,226 entries per day. During the campaign, So Delicious recorded its two highest sales days ever; while overall 2011 unit sales increased by 74% and category share increased by 60%.

In the coming year, successful marketers will aim to integrate their activities within each social network. Within Facebook, for example, the most successful brands will have a strategy for connecting attention-getting promotions with on-page engagement features and ongoing message interaction.



#### **PREDICTION** FOUR

In 2012, social marketers will borrow from direct marketers, mirroring email and loyalty tactics especially. Many of the best practices learned from email and loyalty marketing - frequency of contact, nurturing campaigns, hard-hitting sales copy, and incentive programs - will be applied within social media channels.

Sophisticated social marketer Blowfish Shoes and their agency, The Branding Farm, showed off four great direct marketing moves in its "Blowfish Shoe-a-Day Giveway" last year:

- Information is social. Blowfish created a viral video to showcase the shoes of the week along with daily photos of the shoes. This led to a 60% increase in website traffic!
- Design matters. Just as all email campaigns use HTML to create visually enticing messages social marketers will prioritize the same design principles in social marketing. Blowfish created gorgeous microsites, webpages and a Facebook campaign which all blended beautifully into a consistent brand experience.
- Frequent communication pays off. As this was a daily contest, Blowfish posted frequent, relevant content on Facebook securing a high EdgeRank score and prime position in users' newsfeeds.
- Offer something of value. What more could a fashionista want than a free pair of shoes? Blowfish continued to offer targeted incentives for their audience to return time and again to their website and Facebook page.



Like email and loyalty marketing, social media presents an enormous opportunity to develop leads and move them through a social funnel to acquisition. Wildfire has helped our clients generate over 38 million leads, and we see more and more marketers coming to us to capitalize on the lead generation trend in 2012.



#### **PREDICTION FIVE**

Better analytics and standardized measurement will arrive to determine how social impacts the bottom line in 2012. Brands have done a good job showing up for social media, but now it's time for them to better engage and monetize their audiences. Deeper analytics, including augmented demographic, psychographic and engagement measures, with better attribution models, will be critical to understanding a brand's social audience. Benchmarking data will become more accessible as we finally get to see what "good" social media looks like. Finally, experimentation, such as A/B testing, will become more achievable as technology allows brands to easily swap content and test creative on social pages.

Bookrenter, a leading textbook rental company, has grown from 20,000 to 100,000 fans through experimentation with different promotions and pages. Whether running an essay contest for a college scholarship or giving away textbook credits for the best picture titles on its 20+ pages, Bookrenter continually provides new content - testing what resonates most with its college-age audience and analyzing its impact.





#### **PREDICTION SIX**

In 2012, brands need to deliver consistent value to their audiences as consumers grow increasingly sophisticated in how they use social media. In 2011, people could "like" everything from their underwear to their home, and many did! They are now trying to undo all that indiscriminate information sharing, in order to avoid being the object of affection of the creepy TakeThisLollipop.com guy.

In 2011, we saw consumers more actively "unlike" brands. Top reasons cited for "unliking" a brand on Facebook included: "they post too much" (44%), "my wall was becoming too crowded with marketing posts and I needed to remove some of them" (43%), and "the content became repetitive or boring over time" (38%).\*

In 2012, brands that want to develop long-term relationships will make sure to deliver consistent value and entertainment to their audiences. "Likes" will be granted more selectively, and we will see more unique, targeted content, and better promotional rewards. Those ubiquitous iPad giveaways will be fading from the scene as well. In fact, we did a review of our top 250 Performing Wildfire Campaigns of 2011 and none gave away an iPad! Prize giving was more strategic, relevant to the audience, and reinforce the brand.





Shopwell, a provider of online and mobile services for creating healthy shopping lists, has begun to leverage the "targeted prize giving" trend to grow from 2,000 to 16,000 Facebook fans. In fact, they received over 3,000 entries for their latest contest, which gave users the chance to win high-end cooking utensils in exchange for downloading a shopping list app. The prize selection and activity were highly relevant to their audience.

With increasing sophistication, consumers will want more out of their social platform. In today's professional world, we see increasing changes in roles, titles and positions. Having loose connections with many people strongly benefits the individual as well as the corporation - in the hunt for the next great idea or game changing talent. Because of this, we expect LinkedIn will become a focus of all brands, especially B2B in 2012.

\*Source: Exact Target



#### **PREDICTION SEVEN**

Curation will become critical with the sheer magnitude of content available to consumers. Consumers will need better ways to tell the jewels from junk in all social media channels. Facebook is helping with its Edgerank algorithm, kicking spammy, uninteresting, or unnoticed brands from users' newsfeeds. Your brand's ability to get exposure for any future messages and campaigns will be based on how users vote for you today - via likes, shares and comments.

Brands will need to use what they know about their target audience (with better demographic and engagement analytics as mentioned above) to curate highly relevant and compelling content. It will be increasingly important to keep your audience engaged in continuous, fresh dialogue with your brand. With scarce space in the newsfeed, the best content curators will look much louder than their competitors..

ideeli, a leading online retailer, successfully curates its Facebook page for nearly 200,000 fans. To engage its audience, ideeli continuously launches new content, like plugins that allow fans to browse new styles and interact around the latest trends. It consistently runs promotions around fashion getaways or new seasonal collections. ideeli actively solicits feedback from its audience on new designs and pieces, prompting further social sharing through the audiences' newsfeeds.







#### **PREDICTION FIGHT**

#### Mobile social access will become increasingly important.

With the increased use and presence of smart phones, social media can and does happen everywhere. Of the 350 million people who use Facebook from mobile devices every month, roughly half of those users access Facebook through the web and half use native apps.\* Social media platforms will evolve to help brands meet this consumer demand, and we will see more integration between our mobile and social media lives. We don't have to look any further than the acquisition of GoWalla by Facebook this year or LinkedIn's mobile app which allows users to update their contacts as soon as they meet someone at a conference or event.

We're just seeing the start of mobile social with microsites and other unique campaigns targeted towards mobile users. Boost Mobile ran a sweepstakes on Facebook, along with a complementary street team that promoted the sweepstakes by asking random passersby to enter from a Boost mobile phone. The mobile sweepstakes format gave users a firsthand experience of the Boost product.



#### **PREDICTION NINF**

Engagement will trump fan count. In 2012, marketers will care at least as much about how users engage with their brands on an ongoing basis as they do about their social reach. With better understanding of their audiences through improved analytics, brands will be able to convert fans into influencers...influencers who compel others to follow, evangelize and buy from your brand.



More descriptive and frictionless sharing of people's actions, "beyond the like," is already underway with Facebook's support for social applications. A number of platforms such as Washington Post, Hulu and Spotify are integrating their activities with Facebook. A feed is now populated with "watched with Hulu," "read on Washington Post" or "listened to on Spotify" messages. People's actions in the real world more closely mirror their interactions online. With this knowledge, brands will be able to selectively convert members of their audience into influencers by adding more opportunities for interaction both online and offline.

\*Source: Facebook Developer Blog



#### **PREDICTION** TEN

In 2012, we will see that the most successful social brands have a clear customer service strategy. Social is becoming a critical channel for addressing customer service needs - and Facebook and Twitter are leading the way. Consumers are trying more frequently to address customer service issues via brands' social pages and they expect social to be a two-way communication channel. In fact, in 2011, 62% of consumers used social media for customer support!\* Most brands have a long way to go for true interaction as approximately 95% of fan-written Facebook wall posts go unanswered. \*\*

More and more users are demanding (and <u>businesses are responding</u>) that any brand who asks for their affinity had better be responsive to their requests as well.\*\* Because of this demand, we expect to see more dedicated channels on social media for customer service - whether a Facebook tab or Twitter feed.

Remember what happened in 2009 for #UnitedBreaksGuitar? <u>A country musician uploaded a song to YouTube</u> crooning about his experience with United Airline and a broken guitar - <u>a website</u>, Twitter meme and general upheaval against United ensued. Proactively responding to customers' demands via a highly visible social channel can help brands avoid large-scale PR disasters like this.

Webroot, a provider of Internet security solutions for small- and medium-sized businesses, has done a great job of using social customer service to enhance loyalty. It has a Facebook page to address customer service questions. Its virtual agent answers many of users' commonly asked questions with external links to various technical and product support questions, as well as links to online, real time support.

Virgin America also dedicates much of its Twitter stream to resolving customer support issues, as we saw when it upgraded to a new Sabre reservation system and <u>customers complained about lost reservations and cancelled</u> flights. More and more brands will consider how to serve their customers via social channels.



\*Source: MediaBistro

\*\*Source: AllFacebook





### **2012 SOCIAL MEDIA CHEAT SHEET**

# 2012 will be the year of understanding how to engage an audience and learning how to monetize it through better analytics and a focus on results.

Marketers will need to make more choices from the top down (marketing objectives) and bottom up (messaging and content by each channel). Efforts will increasingly require support by a specialist, the Community Manager, and their content team. Greater fan base engagement, resulting from integrated social campaigns, will lead to creative monetization opportunities. Finally, the growth in demand for, and acceptance of, social within the marketing mix will lead to a greater attention to results, metrics, and analysis tools.

2011	2012	Impact
Growth	Engagement & Monetiza- tion	2011 focused on social media growth. 2012 will be about engagement, as brands activate the fan bases they've built. A growing minority will pursue monetization goals.
Social for social's sake	Social for business' sake	Rather than isolating social from the rest of the business, marketers will select social activities based on their ability to deliver results for the business.
Sporadic social	Integrated across channels	In 2012, successful marketers will integrate social across all networks and media (e.g. print, email, TV)
Follow email and direct marketing	Learn from email & direct marketing	In 2012, social will apply best practices from email and loyalty marketing - nurturing campaigns, hard-hitting sales copy, and incentive programs.
How to measure	Standard social media measurements	In 2011 we wondered how to measure the impact of social media. In 2012, better analytics and a coming standardization of measurements answer this question.
Indiscriminate likes	Sophisticated likes	In 2011, "likes" were granted indiscriminately from homes to underwear. In 2012, brands need to deliver consistent value to audience as "likes" become more selective.
Customize	Curate	Audiences are inundated with content on the internet. It's no longer only about having creative content which reflects your brand, but the content must fit your audience.
Mobileit's coming	Mobileit's here	We've been hearing this for a while, but in 2012 social media platforms will evolve to help brands integrate consumers' mobile and social media lives.
Find influencers	Convert influencers	No longer focused on growth to find influencers, marketers use long-term engagement to convert fans to influencers.
Customer Service?	Social CRM	In 2012, we will see that the most successful social brands have a clear customer service strategy.

Wildfire is a powerful, easy-to-use social marketing platform to grow, engage and monetize your audience across social networks.

Learn how we can help you today!

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