



# Social Media: An Aid to Marketing Turnaround Strategy

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## Introduction

The days when marketers and advertisers used the internet as a mere advertising tool and sell the odd product through their website, are now a thing of the past. The internet has today revolutionized how businesses ensure better products and faster delivery to their customers. At the core of every intelligent and forward thinking organization's marketing efforts lie the internet and its various capabilities which facilitate better customer service (1, 14). The advent of social media has aided organizations tremendously in reaching out to their customers and engage them more effectively. In the early days of the social media revolution, traditional businesses generally shied away from adapting the various limited social media tools at their disposal (11, 23). Today however the scenario is altogether different. From merely allowing people to interact and communicate, social media has evolved into a platform that businesses cannot simply ignore, in order to keep up with the rapidly evolving markets and ever discerning customers (22, 31).

What makes social media so effective a marketing tool one may ask? How does it differ from other conventional, tried and tested tools that organizations have successfully used in the past? The answer is very simple. The answer lies with the consumer. The primary idea behind all social media platforms is that they allow or create a platform for consumers to have a two way conversation with various elements of their lives (7, 16). Be it a favourite brand, a favourite coffee shop, a favourite sports team, celebrity or even something as personal and as an anniversary celebration. It is on this premise that successful marketing campaigns are based. Companies have been able to revive brands that are on the final legs of their life cycles through the concerted efforts of their social media marketing teams (2, 34).

## Early Beginnings

As with the case in any evolutionary story, it is those who saw the signs first and evolved before the others, are now on top of the food chain. Businesses that saw the potential of social media are now reaping its benefits on a larger scale than those who came in late. A study conducted by Harvard Business Review in 2010 revealed that most businesses felt that social media helped them to primarily increase their brands' awareness. Today, however a staggering 95.7% of businesses prioritize 'community building' through their respective social media platforms (19)

A classic case in this regard could be the auto giant Ford. During the near collapse of the auto industry, the century old auto company saw an opportunity. It rushed headlong into the world of digital marketing, embracing social media before it was taken for granted in boardrooms across the world (5, 27). "To save the company we had to work differently," said Ford CMO Jim Farley. Ford's first big bet was investing in pre-launch, something the car industry doesn't do much because promoting a new car model before it launches discounts the old product(29). Ford decided to test this strategy with the Fiesta car model, a European brand making its debut in the U.S. The budget was literally nothing. One of the younger Ford marketers had an idea. Ford brought 100 Fiesta models to the U.S. and gave them to agents to drive and create content based on their experience (28, 33). Fifty thousand pieces of content were created and seeded through social media like YouTube, Facebook and Twitter. The content got a whopping 28 million views. This created 58% brand awareness before the launch of the Fiesta in the U.S., 52,000 test drives and more than 10,000 online vehicle reservations (18).

## Social Media as a Tool for Engagement

So how does a smart marketer engage his social communities? There are a few simple yet effective means to do this. **Firstly**, most social media savvy organisations are seen to be posting generic content rather brand based content on their social media platforms. This ensures that the consumers don't feel that they are being 'pushed' with the company's brand related updates. **Secondly**, by posting frequent updates daily, the organisation or brand is able to maintain a continuous two way dialogue with its customer or fan base through queries, replies, comments and retweets. **Thirdly**, by conducting contests the company/ brand will be seen to reward the customers for their engagement. One of the most popular contest forms involves uploading photographs by the audience. **Fourthly**, organisations having an effective social media marketing platform are seen to have a set of social media guidelines that help to monitor their activities on various social media platforms (32, 29). **Fifthly**, the use of tools that help in online monitoring and response management are also critical to the marketing programs on social media. **Sixthly**, the conduct of research through such media also helps companies to monitor and resolve customer feedback and complaints on a

real time basis effectively. **Finally**, 'going mobile' seems to be the way ahead for most companies engaging their customers on social media. This is because our society has begun to evolve from browsers to apps in using the internet and its capabilities (13, 27).

### **Social Media and the Business Organization**

Another pertinent point that needs to be raised is that how does social media fit in with other marketing campaigns of the organisation? A recent study by Ernst and Young reveals that almost 83% of the surveyed organizations said they include information about their social media campaigns in their print and TV advertising campaigns. Also, 87.5% of the surveyed organizations have run campaigns using only social media or where social media has been the leading component. It should be noted that most organisations look to social media as an after-thought and use it as a medium to further spread the advertising message. However, the really smart marketers look at integrating social media as a part of the campaign DNA. The social media team participates in the ideation stage. The engagement structure is woven with social being a part of the campaign process and the social media component cannot be removed (7,16).

Most companies that are actively using such platforms are seen to be if one could use the word a bit more 'preferential' in their treatment towards their online customers/ fans than their traditional customers and fans. This is evident from the way the online customers receive special promotional offers and faster redressal of complaints and grievances. As a result, there is a two pronged turnaround effect. Firstly, the customers have begun to realize the benefits of going online and getting more in terms of value from the brands and products they use. Secondly, the companies are now able to better serve the customers and as a result see significant increase in online traffic, referrals and improved brand loyalty (20, 25). Vodafone for instance gives users a free talktime of 25 minutes for downloading and installing the official Vodafone app on their smart phones. It is such tactics on the part of marketers that are reversing the fortunes of many companies operating in industries such as telecom that face the perennial threat of high customer turnovers.

When it comes to posting updates on their respective social media profiles, companies that post generic updates tend to do better than those that push brand or product related updates. Among the generic updates, topics related to the values of the brand are preferred more than totally unrelated topics. 66.7% of the brands surveyed in a study by Ernst and Young said that topics related to the brand values form more than half of the posts on their Facebook pages (2, 8).

The frequency of the updates also is vital towards keeping the customers engaged. Although frequent does not necessarily mean bombarding your customers' newsfeeds with unnecessary updates. According to a

study by Lighthouse Insights, it was found that 33.3% of surveyed companies tweeted more than three tweets a day on Twitter. While 25% of the surveyed companies said that they posted one update per day on Facebook. On the speed of response, one-fourth of the surveyed organizations respond to fan queries on Facebook, on an average, within half an hour of the query being posted, which indicates a robust monitoring and response structure being put into place. In the case of Indian telecom giant Airtel, from the period from 1 January –31 May 2012, out of the company's 34,991 tweets on Twitter, 33,928 were replies. Also, 19,593 replies out of these were executed in less than 15 minutes (17).

### **Effective Strategies for Business Turnaround Using Social Media**

Conducting contests on a regular basis keeps in line with the quid pro quo principle of social media. A large number of social media savvy organisations today heavily rely on contests to engage their customers effectively. Photo related contests are the most popular form of engagement. Facebook and Instagram a popular photo sharing app, which also happens to be owned by Facebook, are the most popular platforms that brands and consumers use to upload and share photographs.

The need for having social media guidelines and monitoring programs in place cannot be stressed enough. In a study conducted by Ernst and Young, a large majority of companies in India had these two facets covered. Experts also strongly suggest the need for having a crisis manual (15, 17). It is important to create sample scenarios of various crisis scenarios that can happen and know how to deal with them. Some examples of crisis for a consumer food product can be a consumer finding an unwanted particle inside the food packet, a consumer falling sick after consuming the product, rumors around the ingredients of the food product and possibly their health impacts, etc.

Learning organisations are also constantly using the insights gained from research through social media to tweak their social media initiatives based on what their consumers actually want or what digital channels and behavior they go through before making a purchase.

### **Domino's Effective Use of Social Media**

Social Media has also revolutionized how marketing research is done these days. With real time 'big data', companies with the aid of such platform are able to understand consumer behavior on a micro level and as a result are better equipped to serve their markets. In a recent study carried out by Harvard Business Review, 40.6% of social media-savvy organizations surveyed have conducted research to get customer feedback and another 34.4% to understand more about their customer behavior. 25% of the organizations surveyed have conducted research for competitive benchmarking. Such research has definitely helped a company like Dominos Pizza. Dominos has had the same pizza recipe since they launched 50 years ago, and

while it finished first in pizza delivery and value according to a 2009 Brand Keys survey of national restaurant chains, it also finished dead last in consumers' taste preference (1,5, 15). With pizza deliveries down 6% compared to last year according to USA Today, Dominos knew it needed to make a change. To start the turnaround of its flagging fortunes, the company ironically named its social media marketing endeavor around the website [www.pizzaturnaround.com](http://www.pizzaturnaround.com). The website features a new video documentary on YouTube (see above) that uses real Dominos employees to tell the story of how Dominos listened to its critics and is changing its pizza recipe for the better. The site also includes a Twitter stream showing people's reactions to the new recipe (via the hashtag #newpizza ). Dominos is encouraging consumers to try the new pizza and offer feedback via social media like Twitter, Facebook and YouTube. Perhaps an even bolder approach, the brand is also reaching out to food bloggers who have previously made negative comments about the pizza's taste, asking them to publicly review the new recipe. A huge part of Domino's turnaround strategy was to listen to customer feedback and respond by making the needed changes to the taste and quality of the food (24, 28).

The internet with all its possibilities has enabled social media marketers to also leverage the use of apps through smart phones and other mobile devices. For instance in a country like India a third of Facebook users access the site through apps on their smart phones and other devices. Mobile operators in India have gone a step further by tying up with Facebook to offer free or discounted data access. Some apps also enable the use of QR Codes (Quick Response Codes) to allow marketers to target their customers through more specific and engaging marketing communications (3, 22).

### **Social Media Ad Campaigns**

Advertising spend on social media by marketers has been increasing exponentially over the last few years. Ernst and Young's study revealed that over 83% of companies have used social media ads. It is interesting to know that it is not just e commerce companies that have a larger ad spend but companies that operate in more traditional industries like manufacturing. The study also reported that promoting campaigns seems to be the major reason for using social media ads, 18.4% of the organizations surveyed said they use ads for product leads or sales. Talking about ad spends; the NFL Superbowl which attracts some of the world's largest advertisers recently saw a smart and timely marketing ploy by the social media marketing communications team of Oreo Cookie (12, 18). The company had a team specifically on standby to take advantage of super bowl highlights. Sure enough, it was an eventful night and their preparation played off. In the wake of a power outage during the game, Oreo took to Twitter, immediately tweeting "Power Out? No problem. You can still dunk in the dark". Within minutes, the message took flight, gaining more than 16,000 re-tweets and more than 20,000 likes on Facebook (21, 23).

## Conclusion

The emergence of social media as a powerful agent of change is something that one cannot deny. Whether it being a platform for a young teenager to express his views or for a flower shop to sell its services, social media is definitely the way forward for businesses who are keen to exploit the opportunities that a rapidly changing consumer brings to the table. It is in the non conformity of social media to traditional media formats and dialogue that attracts users to the social media bandwagon. A single tweet or a post could enhance the image and positioning of brand among millions of users. Hence one can say that social media is here to stay and evolve into bigger and perhaps better things. The question is, are we as people and businesses willing to see the opportunities and grab them?

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