

Harness the Power of

Social Media for Your Business



THE ALTERNATIVE BOARD

Shared Wisdom, Bottom Line Success

Social media use has been on a rapid rise since it was first introduced over a decade ago, and there doesn't seem to be any sign of plateauing. In fact, as the platforms offer more functionality, users are increasingly turning to social media for things they used to find elsewhere, like news, product recommendations and even to make purchases.

As we've seen social media use grow, we at The Alternative Board® (TAB) wanted to know if business owners were taking advantage of these new marketing tools. In our June 2015 Small Business Pulse Survey, we asked respondents to tell us about their habits and investments when it comes to social media.

What we found was that a majority of small business owners aren't tapping into the huge potential of social media. In fact, 64% of business owners are monitoring their accounts only one time per week or less, while 22% only check into their social media channels a few times a year. A surprising 18% of business owners reported having no social media presence at all.

A strong social media presence is an increasing necessity for companies who want to stand out from their competitors. In this paper, we make a case to demonstrate the value of social media, and provide tips and strategies to help business owners make use of this valuable — and inexpensive — tool.

Tapping into the Value of Social Media

According to our survey, 59% of respondents believed that social media is nice to have, but not an essential function. This indicates that the businesses who choose to take advantage of social media — and who do it well — can have a powerful advantage over their competitors.

A few of the benefits of social media include:



Free — or inexpensive — marketing

While it's possible to invest hundreds — if not thousands — of dollars a month into social media ads or hiring professional managers, social media can help boost a business' visibility for little to no cost.



Build connections with customers

Social media is a fantastic way to let your brand's personality show through. By engaging and interacting with your customers, you can earn their trust and encourage loyalty.



Establish industry leadership

Social media can help you build a name for your company as a leader in your field. By regularly joining in conversations and adding value, you'll increase your brand's recognition.



Gain insights into your customers

How well do you know your customers? Social media is a great way to tap into what they are thinking, who else they are following and what their preferences are.



Increase search rankings

Becoming active on social media can be a huge benefit to your website ranking. Not only will you be able to direct more people to your site, but boosting your social media shares will also raise your search ranking.



More to Social Media Than ROI

It's notoriously hard to measure how effective social media efforts are, but as [Marc Joseph told TAB](#), you can't get hung up on ROI.

"It goes back to the old adage 'I know 50% of my advertising is working, just not which 50%!' Joseph said. Instead, business owners should think of social media more like billboards along the highway: the cumulative result of the impressions is valuable, even though each one can't be quantified. "If you can engage a customer in many different spots, you have a chance of them remembering your branding and when it is time to buy, you can be at the top of their mind," Joseph said. "The same holds true with social media."

Marc Joseph
CEO & President, DollarDays International, Inc.
Scottsdale, AZ

Understanding Barriers to Entry

If social media is so beneficial, why are so few of our survey respondents taking advantage of it? Again, the answer lies in the responses to our study.

Finding the time to post and respond to customers is one of the biggest barriers. Our survey found that most small business owners (59%) are managing their own social media channels on top of a multitude of other duties that require their attention. As a result, social media tasks get low priority — or don't get done at all.

Finding the right message to share is another challenge. Two thirds of our respondents cited this as a concern.

The last barrier we noticed is that many business owners aren't measuring ROI, and therefore aren't seeing positive results. We found that 43% aren't measuring their ROI at all, while 6% are only using vanity metrics such as likes and shares.

Finding Your Voice

Finding the right message to share was a challenge for 66% of those who responded to our survey — and they aren't alone. As Brittany Nettles, owner of Sweet Notes Bagels, [told Kabbage](#), “In the beginning, we had a social media identity struggle. We did not have a voice, we did not have consistency and we did not understand our demographic.” Even though she was active on social media, the brand wasn't getting the engagement they wanted.

Sweet Note Bagels eventually found its voice through trial and iteration. “Over time,” said Nettles, “we figured out the social media recipe and began to grow our reach organically.” Now, social media is one of their most effective marketing tools. She advised other business owners to be transparent, real, engaging and to jump in on conversations. “It's all about having an identity and interacting with others. Sure, social media is there to aid with branding. However, you brand naturally and grow organically the more that you are in-tune with your community.”

Brittany Nettles
Owner, Sweet Note Bagels
Manayunk, PA

Make the Most of Your Time: Choosing the Right Channel

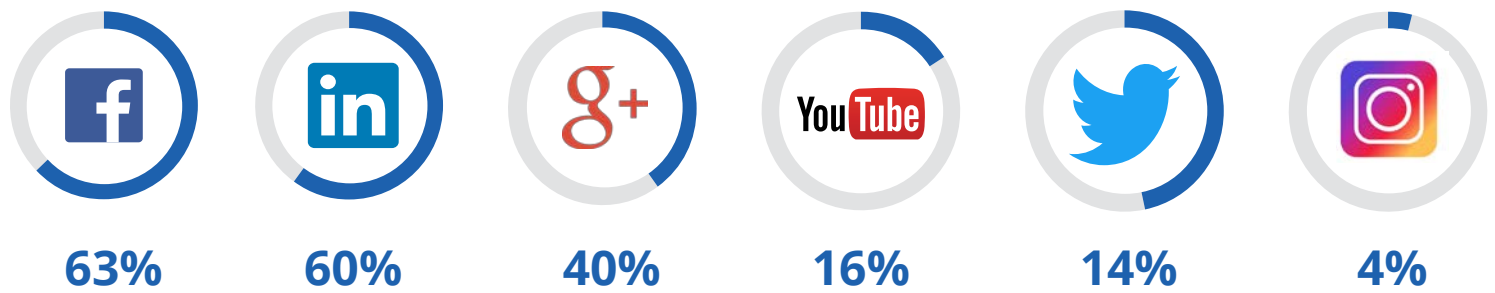
With so many options — and more upstart social media channels being introduced almost daily — how can business owners know where to focus their limited time? No one wants to waste hours and energy developing a brand's presence on the wrong platform.

Nor do most business owners have time to be truly effective on multiple channels. Especially for small business owners, it's critical to choose one social media channel to be the primary, and several secondary channels to complement it.



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According to our survey respondents, the most effective social media channels were:



The fact that Facebook tops this list is no surprise — [according to eMarketer](#), nearly 163 million people use Facebook in the U.S. today. That number is expected to rise to over 177 million people by 2020 (or, over 53 percent of the U.S. population).

However, just because a social media platform is popular or other businesses have been successful with it doesn't mean it will be the perfect platform for your business. Even though YouTube and Instagram rated near the bottom of effective platforms for our survey respondents, certain businesses — especially in the industries of fashion, home improvement and health — can do extremely well on those platforms.

Let's break down the benefits of each platform.

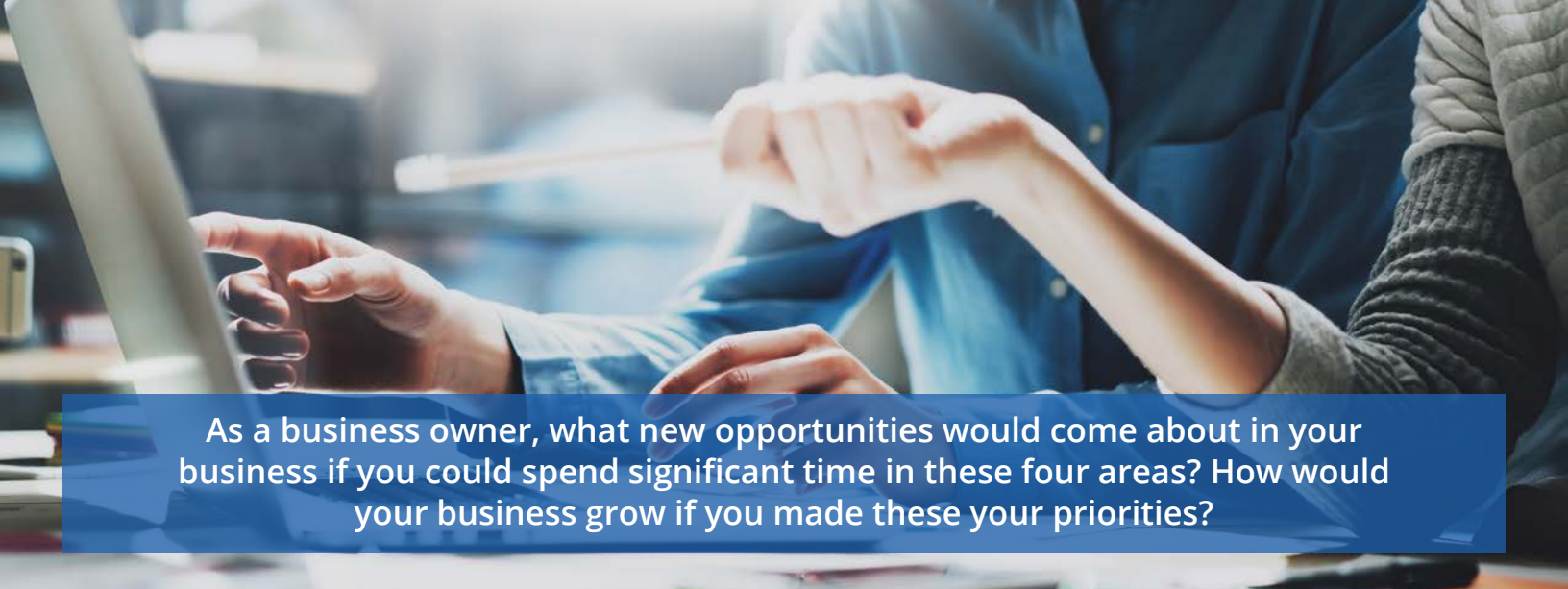
Facebook

As we already mentioned, Facebook is the social media giant, with 163 million users in the U.S., and over 1.5 billion users worldwide. Although it started primarily as a way for friends to keep in touch, it's now an important way for consumers to keep up with their favorite companies by "liking" their business' page.

Facebook is popular among a wide demographic of users: men and women, young and old, urban and rural. That's another part of what makes it an effective platform for businesses. Additionally, Facebook collects incredible amounts of data on its users' preferences, which it makes available to help businesses target their messages to the right demographics.

Facebook's search function is becoming more powerful every day, leading users to start searching for products and services directly on the site. Whether or not you decide to make Facebook your business' primary platform, it's critical to set up a business page and keep it current with contact information, hours of operation and other basics.

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As a business owner, what new opportunities would come about in your business if you could spend significant time in these four areas? How would your business grow if you made these your priorities?

A Little Boost

Facebook's algorithms have famously tamped down the organic reach of business pages over the last few years. In fact, it's estimated that when a business posts on their Facebook page, [only about 6.5%](#) of their audience will likely see it. Instead, Facebook encourages companies to "boost" their posts in order to reach more of their followers (and followers' friends).

Josh Glas has used this tool to increase the social media reach of his company, PhiGem. "An inexpensive way to boost marketing muscle is through Facebook's 'boost' option," Glas said. "Place a post on your company fan page and Facebook will ask if you want to boost it with increased visibility through a low cost, controllable boost distribution."

If your audience is active on Facebook, it may be worth building a few dollars extra a month into your marketing budget for this.

Josh Glas
President, PhiGem
Bohemia, NY
Member since 2010

LinkedIn

LinkedIn is another platform that began as a social networking site and then evolved into a powerful way to connect with your customers. The main difference between LinkedIn and Facebook is that LinkedIn is primarily effective for B2B marketers.

LinkedIn has a reputation of being a job-seeking site, but [Gaille Media found](#) that users were three times more likely to use LinkedIn if they were employed than if they were unemployed. Rather than being filled with jobseekers looking for work, LinkedIn is filled with business professionals looking for solutions.

Also according to Gaille Media, 48% of LinkedIn members have some form of a decision-making position where they work. This indicates that by targeting an audience of LinkedIn members, B2B businesses have a high likelihood of reaching people who can say yes or no.

If your business is B2B, becoming active on LinkedIn through groups and one-to-one networking with potential buyers is critical.

Connect with Your Network's LinkedIn Contacts

One of LinkedIn's professional networking tools is the ability to request introductions to your connections' contacts. However, it isn't easy to search through or filter potential connections. That's why Ron Loveland takes this feature to the next level by exchanging LinkedIn contacts in a more manageable format: Excel.

"It's a great way to see each other's LinkedIn contacts, so you can easily see if there is someone you'd like to get introduced to," Loveland said. To export your connections into Excel, go to your Connections Page and click on the gear in the upper right corner. Under the Advanced Settings you'll see a button labeled Export LinkedIn Connections. Simply select a file type and click Export.

Ron Loveland
President, Summit Business Solutions
Miller Place, NY
Member since 2014

Google+

When Google+ was launched in 2011, it was championed as a serious contender for Facebook. While that hasn't quite panned out for individual users, many businesses are finding success on the platform.

That's because instead of going toe-to-toe with Facebook, Google+ has instead become a powerful contender against Yelp and other social review sites. Users don't need a Google+ account in order to leave reviews of businesses, which show up alongside a business' profile in Google search results.

Actively posting on your Google+ page can also help improve your website's organic SEO rankings. Adding links back to your website can help drive traffic, and can help you rank better for certain keywords. This is partly because these posts can actually appear in Google search results, whereas posts on other social media sites generally do not.

Whether or not you choose to be active on Google+, it's worth it to at least claim your business' page by setting up a [Google My Business account](#).

Showcase Your Business

Your business' Google+ page is packed with features to help customers get to know your business, [Max Holloway told Search Engine Watch](#). "You should also add photos of the business, or its customers and the people who work there," he said, along with basic information such as hours of operation, menus and parking locations.

He recommended being as specific as possible when it comes to choosing categories. "You have a much better chance to rank for 'Fresh grocery store' or 'Organic butcher' than for generic terms like 'Shop' or 'Groceries'," he said.

Max Holloway
Senior Search Manager at Pi Datametrics
New York, NY



YouTube

While use of traditional television ads are waning, video is still hugely popular. If done right, being active on YouTube can bring with it the possibility of creating a viral video campaign that gets picked up and shared across other social media sites.

Even without the possibility of going viral, YouTube videos can be pivotal in helping consumers make decisions. [A 2014 study by AOL Platforms](#) found that YouTube was the most successful social platform for converting customers — particularly in the last stage of the buying process, when customers may be weighing your product or service against similar ones.



Even without the possibility of going viral, YouTube videos can be pivotal in helping consumers make decisions.

What many business owners also don't realize is that YouTube is owned by Google, making it a powerful search engine. Be sure to take advantage of the video notes and tags to boost your keyword rankings.

Build Your Brand on YouTube

Brands that are strategic about the topics they want to rank for can see measurable success in search results, [Claire Mudd wrote on Google's Small Business blog](#). "People go to YouTube for all things do-it-yourself," she wrote, going on to say that 'How To' searches on YouTube have grown 70% year over year. "So if someone is searching for 'how to make a holiday cocktail' and your company sells those ingredients, your video ad can show up in that moment."

She recommended that companies include their business logo, website or phone number and a strong call-to-action in every video ad. "Having a memorable 'hook' at the start of the ad can also capture people's attention, lead to more views and increase the chances they'll search for your business afterward," she wrote.

Claire Mudd
Head of Americas SMB Marketing, Google
Mountain View, California

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Twitter

For certain businesses, Twitter can be extremely effective. Many people use the platform as a way to keep tabs on businesses they are interested in, getting constant updates on events, products and sales in their Twitter stream. But Twitter is more than just a platform for disseminating news — it's also very powerful for creating connections with your customers.

[According to Visual.ly](#), 85% of Twitter users feel more connected to a small business after they begin following them. This is due in part to the casual nature of the platform. From your favorite pop star to the CEO of a Fortune 500 company, users can tweet at anyone who's on the platform — and sometimes even get a response. Twitter is also a powerful way for users to discover new businesses. [According to the company](#), 66% of users report having discovered a new small or medium business on Twitter.

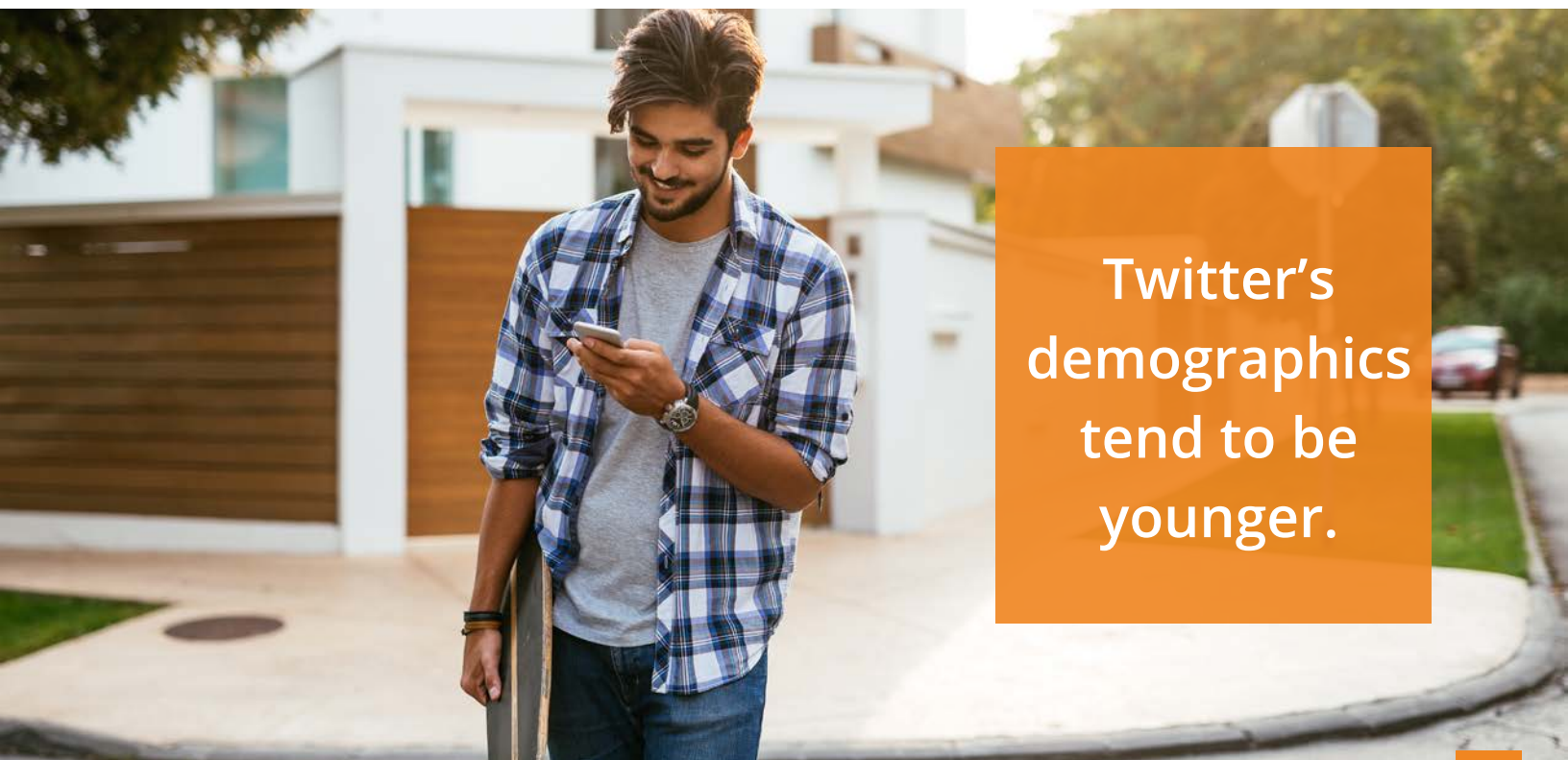
Twitter's demographics tend to be younger. [A recent Pew Research study](#) found that the percentage of Internet users on Twitter hovers around 30% for the demographics between ages 18 and 50, then declines sharply after that. If that demographic meets your audience, it's worth testing the waters.

Engage With Your Customers

The way Twitter enables business owners to interact with customers firsthand is a phenomenal resource, [Michael Banks told Rescue A CEO](#). "This type of customer engagement is a great way to gauge where you are going right as a business, what could use some improvement, and what is not working — straight from your customer."

He recommends taking little steps to start conversations, such as setting up a poll about your product or service, asking for feedback, or setting up a Twitter chat with a branded hashtag about something in your industries' niche. "With Twitter it's all about communication done right," Banks said.

Michael Banks
Founder, The Fortunate Investor



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Instagram

While visual social media site Instagram was at the bottom of our respondents' list of effective platforms, the site has proven to be a stunning success for visually-oriented brands. In fact, although only 48.8% of all U.S. brands are on Instagram, [96% of fashion brands are](#).

It can be tricky to gain traction on the site, particularly for companies that don't have an innate visual appeal. Services are also quite difficult to sell on the site, although beautiful product photography and lifestyle images of your customers can help move products.

That said, Instagram is rolling out tools to help businesses, including paid advertisements, videos, shoppable posts and analytics. Instagram's demographic is largely young — [90% of its users are under the age of 35](#). They're also more likely to engage with brands than users on other social media platforms. In fact, [Global Web Index estimates](#) that 50% of all Instagram users regularly follow and engage with brands.

If your brand can use beautiful photography to promote your products, Instagram could be a very valuable platform for you.



Finding Instagram Success

Your product doesn't need to be innately beautiful in order to be successful in Instagram — you only need to tap into a community who uses visuals to interact with one another. That's what Kelly Lester learned when she launched her brand EasyLunchboxes.

"With absolutely no money for advertising, I realized I needed to generate word of mouth," [she told Copyblogger](#). She sent sample products to the owners of "bento blogs," which focus on healthy and beautiful packed lunches. Although she personally was not active on Instagram at the time, reviewers and customers began posting pictures there with the hashtag #easylunchboxes. Lester encouraged people to share on both Instagram and Pinterest, and estimates that a huge number of her orders are a direct result of people finding her lunchboxes there.

She's also built a loyal following simply by saying thank you. When people post images of their lunch boxes, she personally thanks them by leaving comments and sharing their posts on social media. "I have built enormous brand loyalty and passion for my products just by saying thank you in this way," she said.

Kelly Lester
Owner, EasyLunchboxes
Tarzana, CA

Making the Most of Social Media

Setting up your business' profile is a good first step, but in order to see results you need to commit to your social media presence. The brands that are successful on social media are those who dedicate regular time to create and curate content, and to engage with and respond to their followers. When we asked business owners how they spend their time on social media, they broke it down as such:



47%

Content creation



26%

Status updates



14%

Analytics and research



10%

Internal strategy



4%

Graphic design

That nearly half of all time spent on social media is creating content is no surprise. Large, engaged followings are built when brands provide valuable content or entertainment — and this takes time. Other planning aspects like strategy, analytics and design took up an additional 28% of the time, leaving only a quarter of all time spent on social media for status updates.

This indicates that the bulk of work behind crafting a quality post takes place before you've even logged onto the platform.

Curating Others' Content

Not every post you share on social media needs to be original content — in fact, sharing articles, studies and posts from other respected sources in your industry is a valuable service to your customers.

As tech-recruiting firm Yeeldr's CEO Neil Gadhok [told Jigawatts](#), "First, it helps fill out your timeline, so that you're providing content that isn't exclusively about your product or service and is therefore more dynamic. You also demonstrate your relevance to your followers."

Gadhok said that curating other content is a good way to both demonstrate your company's knowledge of trends and innovations, it also helps your customers stay ahead of the curve. "Also, by reposting, we're growing our community," he said. "When we retweet or share content from another outlet (giving source credit of course), those publishers not only take notice, but they may return the favor in trade, expanding our reach into their network."

Neil Gadhok
CEO & Founder, Yeeldr
New York, NY

Social media is a critical part of today's business.



While the ROI of a single tweet, post or video can be hard to quantify, the cumulative effects of a consistent social media presence are undeniable. Is your company taking advantage of this powerful tool to connect with customers and raise the profile of your brand?

Social media marketing combines aspects of traditional marketing, advertising, data science and customer service. Understanding analytics, crafting compelling posts, and addressing customer concerns all take skill, yet 67% of the respondents to our survey said they put the responsibility for managing their social media channels in the hands of beginner to intermediate users — not experts. In fact, 59% of respondents manage their social media accounts themselves.

Whether or not business owners hire out management of their social media, they need to have a strategic plan.

Maintain a Consistent Presence

If you're committed to doing social media well, you need to be consistent about your posting schedule. Your followers will come to expect posts at certain times; if you post a flurry of activity followed by silence, your brand will lose its momentum.

"Social media is like any relationship: the more you put in, the more you get out," Nadia Zerka [told Rescue A CEO](#). She recommended business owners make their social media cohesive by spending an hour a week planning and scheduling posts. She also recommended setting aside 15 minutes a day to check in: responding to messages, sharing other posts and commenting on other business or individual social media accounts.

Nadia Zerka
Account Director, Imagine Communications
Detroit, MI

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