

## Unleash Social Media in Four Steps

*C-Suite executives have to harness the opportunity to shape consumer decision making and facilitate consumer engagement in predictable ways through social media strategies*

Social media can be used to create buzz about the new product, gather customer insights for product development and influence with special deals to have more sales. McKinsey researchers have identified four steps-- monitor, respond, amplify, and lead -- to craft marketing strategies to unleash social media potential.

- **Monitor:** Know what's said online about your products and services and ensure that information reaches relevant functions viz. communications, design, marketing, Public relations, or risk. Since the creation of war room within marketing department for the brand 'Gatorade', a sports drink of PepsiCo, the average traffic, the length of visitor interactions, and viral sharing from campaigns have doubled

Companies which use **social media strategies** are different from companies that have only social media presence. Today many companies are using social media tactically by posting updates to Facebook, LinkedIn, Google+ or Twitter. But few have a social media marketing strategy which helps them use social media to support their business goals. Social media works best when it's part of an integrated digital marketing strategy where Social media works together with Search, Email and Content marketing. Developing a brilliant social media marketing strategy relies on a deep understanding of how to encourage, enhance and leverage social interaction.

- **Respond:** Responding rapidly, transparently, and honestly, companies can positively influence customer sentiment and behavior. McDonald's has responded positively for a hoax photograph posted on Twitter before the weekend claiming that McDonald's is charging African-American an additional service fee and the image has gone viral. McDonald's released a statement through Twitter declaring the photograph to be a hoax and asking key influencers to 'please let your followers know' and continued to reinforce that message throughout the weekend. McDonald's stock price rose 5 percent the following day
- **Amplify:** Designing marketing activities that motivate customer engagement and sharing because they gain a badge of honor by publicizing content piques the interest of others. Direct recommendations from peers generate 30 time higher engagement rate. Starbucks launched a competition challenging users to be the first to tweet a photograph of one of the new advertising posters placed in six major US cities, providing winners with a \$20 gift card. Starbuck

said that the effort is “the difference between launching with millions of dollars versus millions of fans’.

- **Lead:** Proactively lead customers toward long-term behavioral change. Old Spice introduced its Old Spice Man character to viewers during the US National Football League’s 2010 Super Bowl and it became a phenomenon, starring former player Isaiah Mustafa, got more than 19 million hits across all platforms, and year-on-year sales jumped by 27 percent within six months.

Social media can solicit consumer insight for product development in an inexpensive way. Starbuck’s collects customer’s views and aggregates submitted ideas and prominently displays them on a dedicated web site. That site ranks user participation, shows ideas actively under consideration and those that have been implemented.

Topic	Course
Social media strategies : Direct and Online Marketing: Unit: 24	Marketing Management

**Source:** Divol, R., Edelman, D., and Sarrazin, H; *Demystifying Social Media*, McKinsey Quarterly, April 2012