

## Social Media ROI

1. Over 300,000 businesses have a presence on Facebook and roughly a 1/3 of these are small businesses.
2. Gary Vaynerchuk grew his family business from \$4 million to \$50 million using social media. Gary's eccentric personality and offbeat oenophile knowledge have proven a natural path to success with his Wine TV Library.
3. Vaynerchuk found first hand that \$15,000 in Direct Mail = 200 new customers, \$7,500 Billboard = 300 new customers, \$0 Twitter = 1,800 new customers.
- 4-5. Wetpaint/Altimeter Study found companies that are both deeply and widely engaged in social media significantly surpass their peers in both revenue\$ and profit\$. The study also found the company sales with the highest levels of social media activity grew on average by +18%, while those companies with the least amount of social activity saw their sales decline -6%.
6. Lenovo was able to achieve cost savings by a 20% reduction in call center activity as customers go to community website for answers
- 7-8. Burger King's Whopper Sacrifice Facebook program incented users to give up ten of their Facebook friends in return for a free Whopper. The estimated investment for this program was less than \$50,000 yet they received 32 million media impressions which roughly estimated equals greater than \$400,000 in press/media value. Which to put in context is somewhat like reaching the entire populations of 19 states (understanding this doesn't account for unique vs. repeat visitors, etc.)
9. BlendTec increased its sales 5x by running the often humorous "Will it Blend" Videos on YouTube blending everything from an iPhone to a sneaker.
10. Dell sold \$3,000,000 worth of computers on Twitter
11. To put things into perspective, only 18% of traditional TV campaigns generate a positive return on investment. This is where the majority of media dollars reside today. I don't believe the majority of media dollars will reside there tomorrow.
- 12-14: "You can't just say it. You have to get the people to say it to each other," says James Farley, CMO Ford. Ford seems to know what they are doing, especially with Scott Monty leading the social media charge. By giving away 100 Ford Fiestas to influential bloggers, 37% of Generation Y were aware of the Ford Fiesta before its launch in the United States. Is it any wonder why 25% of Ford's marketing spend has been shifted to

digital/social media initiatives? Ford is the only US auto company that didn't take a government loan.

15. Naked Pizza, a New Orleans Pizzeria that specializes in healthy pies, set a one day sales record using social media. In fact 68% of their sales came from people "calling in from Twitter." On top of that (no pun intended) 85% of their new customers were from Twitter. So, yes, social media does work for small businesses. Feel free to have a bottle of Vaynerchuk wine with your pizza.

16. Volkswagen goes 100% Mobile for launch of GTI. The reason that I mention this is that mobile drives social media usage and social media usage drives mobile. More and more we will see most social media usage on the phone.

17. Tweets for a Cause sent out a tweet from Atlanta to encourage support of Susan G. Komen for the Cure. As a result of retweets from such notables as @mashable, @G\_man, @zaibatsu and others, the Atlanta Chapter site received 11,000 visitors in 24 hours as a result of this initiative by ResponseMine Interactive.

18. Intuit introduced "Live Community" into their TurboTax® products 2 years ago. Due in part to the resulting word-of-mouth, they have seen unit sales increase +30% each year and have now integrated "Live Community" into their other products like QuickBooks, Quicken, etc. "Live Community" allows customers to ask other customers questions which has proved both beneficial to the customer and to Intuit. In some instances, the customer can answer questions that Intuit isn't allowed to answer because of regulatory restrictions.

19. Software company Genius.com reports that 24% of its social media leads convert to sales opportunities

20-23. During Barack Obama's rise to the White House, he garnered 5 million fans on social media and 5.4 million clicked on an "I voted for Obama" Facebook button. Most importantly this resulted in three million online donors contributing \$500 million in fundraising. An astounding 92% of the donations were in increments of less than \$100.

24. The University of Texas MD Anderson Cancer Center witnessed a 9.5% increase in registrations by using social media.

25-28. Web host provider Moonfruit more than recouped its \$15,000 social media investment as their Website Traffic soared +300% while correspondingly sales increased +20%. They also saw a huge lift in their organic search engine rankings getting on the first page for the term "free website builder."

29. eBay found participants in online communities spend 54% more money

30. Co-Chairman Alex Bogusky of Crispin Porter & Bogusky puts it best when he states: “You can’t buy attention anymore. Having a huge budget doesn’t mean anything in social media...The old media paradigm was PAY to play. Now you get back what you authentically put in. You’ve got to be willing to PLAY to play.”
31. “Think of Twitter as the canary in the coal mine.” – Morgan Johnston, JetBlue
32. 71% of companies plan to increase investments in social media by an average of 40% because: a) Low Cost Marketing b) Getting Traction c) We Have To Do It
33. “Our head of Social Media is the customer” – McDonald’s