



# The Power of Social Media for Business

November 10, 2008

In 2006 I opened up a workshop discussing the ***Blogging as a Power Marketing Tool***. Blogs were new to the Roanoke market. Two years later blogs have exploded in numbers and scope

How many of you have a blog? Read a blog weekly? Nationally -26% read once a week. I expect our number trail the national statistics

Today I am going to follow-up with ***The Power of Social Media for Business***. What is the major question facing Businesspeople today-- **How to grow my business in this economy with cost-effective target marketing?**

Our response will have two parts:

- ◆ Layout the opportunity
- ◆ Discuss practical steps to realize the potential

## The Social Media Opportunity

Social media is fueling a revolution in the ways that businesses interact with their clients. The Rules of the Business Game are changing.

### In the past

1. Big business controlled the media and the message
2. Great time lag between news being created and being disseminated
3. Advertising message was one way from the media to the consumer
4. Communication flowed from top down, from seller to buyer
5. No tracking, based on "faith" that it works
6. No immediate venue for action
7. Very expensive per placement

## **With social media**

1. Communication is dynamic, interactive conversation
2. Media is rich and engaging, often user generated
3. Company and the user are now the “ publishers“ of content
4. Users build their personal and corporate Brands
5. Cuts down the time lag for dissemination of news-- to often immediately
6. Target users with precision ; often reach the unreachable
7. Directs the user to immediate action
8. Consistent online postings makes you more “ relevant “ and get you high placements in the search engines
9. Tracking and measurement are easy
10. Cost of entry is mostly free or very affordable for small business person
11. Power has shifted -the buyer and seller have switched positions. In health care, nurses can “sell” their services to many hospital employers (buyers) for a high price (salary with a sign-on bonus).

## ***New Rules for Engagement in these new media***

- ◆ *Regular participation* consistent use
- ◆ *Share an commitment to open networking; they share information and contacts*
- ◆ *Direct, honest communication*
- ◆ *Building relationships*

## ***What are the major tools for Social Media?***

### ***Seven Social Media Must-Do's For Business Success:***

*Many business people have heard of these tools. Most associate them with Gen Y and don't have clue how to leverage them.*

- ◆ **LinkedIn** to target professionals
- ◆ **Facebook/ My Space** to reach your niche community
- ◆ **Twitter** is a micro blog in which you can send messages of 140 characters
- ◆ **YouTube** to use video to expand your message
- ◆ **Flickr** to share photos
- ◆ **Digg** to discover and share
- ◆ **Stumble** to success

We will focus on LinkedIn, Facebook and Twitter

## LinkedIn

**LinkedIn** is a business-oriented social media site launched in may 2003. It has more than 26 million experienced professionals from around the world, representing 150 industries. It has some 10 Million unique visitors per month and grew almost 200% from last year.

Roanoke area 4500 + users

It allows you to access to the national and international professional community – with an open door—a common agreement and understanding that social networking is of benefit to both parties and they are willing to share their expertise and contacts!!

I have 58 trusted connections- Two levels from me, my contacts can introduce me to **3,727,200+ contacts**

## Facebook

Power of Facebook is a mystery and a bit of a stretch for most of those over 45. Some interesting statistics gathered directly from Facebook include:

- More than 100 million active users , 4th most-trafficked website in the world (comScore)
- More than half of Facebook users are outside of college
- Facebook is the #1 site for people ages 17-25
- The fastest growing demographic is those 25-35 years old
- 50% of users return daily.

Group Facebook for Business for a rich source of information. 25,000+ members.

### **What about Facebook phenomena locally – Size of the Market :**

Roanoke VA Facebook Community grew from 10,000 July 07 to 50,000 in October 08 that is 500% in 16 mo,

- ◆ July, 2007 - 10,000 (90% under the age of 40)
- ◆ March, 2008 - 28,344 (87.5 % under the age of 40)
- ◆ July, 2008 - 40,000 –October, 2008 - 50,000

Virginia Tech network of 56,000  
24,300 Facebook people in Blacksburg  
24,500 Facebook people in Lynchburg  
2,200 Danville

## How local business are using Facebook

**Target the exact audience you want** (very reasonable Advertising min \$5 /day)

- ◆ By city
- ◆ State
- ◆ Status married, single in relationships
- ◆ Sex
- ◆ Age
- ◆ Keywords (interest)
- ◆ Education (place and level)
- ◆ Workplace

Applications are vast and growing daily

- a. retail
- b. recruitment
- c. event planning
- d. product introduction
- e. market research
- f. services

## Facebook applications

### Locally

- ◆ **Fork in the Alley – Grew from 285 to 450+ Fans in 2 weeks**
- ◆ Announcing local Events
  - Target Advertising
- ◆ **DRI – promotion – 633 fans**
  - New media source
  - Promoting downtown Roanoke events
  - Posting events ,articles, videos
- ◆ **SW VA Social Media Connect – demonstrates the Power and speed of the medium grew to 100+ members in a week**
  - Created as a Facebook Group 6 days ago to offer a resource and contacts in the social media community \_ its must for all business people interested in the who's who in Social Media in the area
  - Decided to target market SM and local business people in the current members network – 'Now more than 158 members growing at 10+ day
  - We can announce events , email members about services, in one click

### Nationally

- ◆ Ernst & Young , T Mobile CIA using for recruiting new employees
- ◆ Larger consumer marketers using it for market research , promotions

## Tweeter

Micro blog 140 characters –quick immediate no archive – allows for including urls –

- ◆ like portable instant messaging that you can send to all of those people that chose to “follow” your Tweets” you can gain access to national and global markets in a matter of minutes
- ◆ tweets conversation for social or business contacts- often mixed – people sharing what’s happening

Twitter users in Roanoke Lynchburg Blacksburg ~500 but their reach and networks are national

### How are Businesses using Twitter?

- ◆ Tweets realized Cell phone purchase
- ◆ Received \$20,000 job quote
- ◆ Access to new web developers
- ◆ HCA recruiting nurses
- ◆ Biden- Palin VP announcement - Twesters beat the news media announcement by hours

## Conclusions

1. Be ahead of the curve in using this technology, followers will receive little benefits
2. Be selective in what you do and do it consistently and well
3. make a commitment in time and see it as a valuable investment which will pay off
4. It not all about # of contacts : its about quality and how you use each contact effectively
5. Make social media part of an **Integrated Marketing Strategy** with online marketing, business networking and traditional advertising

There is an opportunity to be an innovator among businesses and join the social media revolution. It will change the way you spend your resources and time and open up new possibilities. Are you ready for the challenge?

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