



THE SCHOLL GROUP

Advertising and Communications

Informative Report: Email & Social Networks

Richard J. Scholl • October 7, 2009

OVERVIEW

- People are very willing to share email messages with friends, family and peers when it's easy to post to social networks.
- According to Facebook's Press Room, their fastest growing demographic is age 35 and older. Facebook users spend an average of 25 minutes on the site each day. And, according to PewInternet, more than one third of adults belong to social networking sites.
- Consumers are increasingly "opting out" of traditional media and advertising and opting into social media sites for information and advice they can trust.
- Trust and affinity (relevance) are the most important factors.
- Social sharing can obviously extend email messages to far more people than forward-to-a-friend links.
- Most marketers have now integrated social networking and email marketing. Inasmuch as all social network profiles are linked to email addresses, marketers can get a more comprehensive view of the customer—necessary for delivering relevant messages and generating response.
- Marketers who can craft messages that recipients want to receive—in part because they're relevant—can achieve great success.
- Give people a reason to share; make it easy by including links to their favorite social sites; motivate them to help you reach highly qualified prospects who share the same interests—driving revenue and loyalty.
- You need to know what motivates recipients to share, which may include:
 - Desire to contribute to a conversation
 - Self-interest, especially saving money
 - Desire to share content because others will find it valuable; validates sharer's views, expertise or sense of worth
 - Desire to communicate about common interests
- It's vital to understand factors that maximize sharing:
 - Trustworthiness of brand
 - Tribal interests: which tribes—determined by customer demographics or personas—comprise your list, and what motivates them
 - Simple, obvious, easy to share
 - Value—to sharer and/or friends
 - Rewards/incentives—that tap into sharing motivations

- Content: well written, timely, relevant—with compelling value proposition, call to action and reason to share

APPROACH

As consumers increasingly embrace social networks, marketers need to adopt an approach that is very different from traditional marketing. And the opportunity is big. According to an April 2009 Nielsen Global Online Consumer Survey, 90% of consumers trust recommendations from people they know, and a surprising 70% trust opinions from consumer reviews online.

It's also worth mentioning here that word of mouth accounts for an estimated 67% of all purchase decisions.

The question is: how do you successfully integrate social media into your marketing? One answer to this question lies in understanding the difference between signals and noise. Consumers are attracted to signals—personalized, highly relevant or engaging content. They eschew noise—especially advertising that doesn't resonate.

Social media enable consumers to create personalized and valued signals, and this is what marketers need to plug into. They need to:

- Think of social media as casual places where people converse with like-minded people. Marketers need to mind their manners and supply signals that will appeal to consumers. Contribute to the signal and avoid making noise.
- Our family, friends and peers have the strongest influence on what we buy. Successful marketers figure out ways to turn influencers into advocates, even disciples. To do so, they have to identify influencers and create marketing activity around the influencers. Monitoring, data appending and quantitative identification can identify influencers.

The rewards for success can be considerable. According to The Wall Street Journal, Dell and Amazon have both succeeded with Twitter. As of June 2009, Dell had generated \$3 million in revenue via Twitter. Many companies have built sizeable fan bases on social media sites where they provide exclusive offers and engender brand loyalty.

While social network marketing can enhance image, it is also viewed as a direct marketing opportunity. In fact, the function usually resides within a company's direct marketing department.

EMAIL SPECIFICS

- Understand that your social sharing strategy should be based on your company, brand, database, demographics and social acumen of your customers.
- The key to successful email marketing also applies to social sharing of emails: test every aspect of messages to determine what triggers better social sharing and greater social network opens, clicks and conversions.
- Don't just drop icons into emails; highlight social sharing in welcome and regular emails; launch social sharing in special campaign; devote prominent space in regular emails to highlight your sharing icons or links.
- For social sharing campaigns: everything from the subject line to the sharing link placement should encourage sharing, particularly from those who share the most.
- Reward those who regularly share your messages with others, e.g., with your deepest discounts.
- Use rewards/incentives—that tap into sharing motivations.
- Content must be well written, timely, relevant—with compelling value proposition, call to action and reason to share.

Currently there is insufficient data to determine what might be the optimal location for social network links in an email—top, middle or bottom. This is another area where testing makes sense. Silverpop's advice:

Focus not only on location of icons and links, but also on overall “design, copy and value proposition. Then conduct various split tests over several messages to determine what approach works best for you. Some marketers have found “that the treatment and copy surrounding the share link is ultimately important than link location.”

WHAT COMPANIES ARE DOING

For companies using share-to-social functionality:

- Include 4 to 5 social sharing links in emails on average
- Email messages generate clicks on sharing links for average of 6.8 days
- 35% of emails generate no social email clicks
- Click through rates are inconsistent

- Facebook dominates; MySpace, Twitter and Digg were next most frequently used links; LinkedIn is big in B2B
- Bebo, Delicious and LinkedIn had higher percentage of share link clicks
- Email will generate additional 1% of views when shared on networks
- Shared email has powerful multiplier effect—average increase of 24.3%

Key takeaways: it's essential to identify the social networks preferred by your customers; you can use Forrester's Technographics profiles and ask subscribers when they opt in. Your best bet is to include links to networks and sharing sites that align with your content, value proposition and customers' social activities.

METRICS

- Social email click through rate—calculated as unique clicks divided by emails delivered—is only .5% on average; but it's several times higher than forward-to-a-friend links.
- Overall clicks—calculated as unique email share clicks divided by total unique email clicks—is 8.7% on average; less than one in 10 clicks in typical email.
- For top performing quartile:
 - Roughly 20-25% of clicks were on share-to-social link
 - More likely to brand subject line
 - Less likely to mention an offer
 - More likely to be mostly text

In addition to looking at these specific metrics, marketers need to get a handle on the bigger picture. As they try to leverage social media—and invest more in it—they need to track, measure and optimize campaigns to achieve the highest possible reach and ROI. After all, most marketers increased both their email and social media marketing budgets this year.

There are web-based services that can track and analyze social presence. You can learn:

- About the tone of comments—good, bad or indifferent
- Which social networks have the most mentions of your brand

Also, marketers create social campaigns keyed to their email files. When consumers opt in, marketers can observe and report on:

- Which customers have many friends online

- Who is most effective in persuading others to pay attention to your brand or promotion

Marketers can then export influencer data back into their CRM systems.

CONCLUSION

It's not enough to insert social sharing links into emails and web sites. Marketers have to figure out how to stimulate conversations between and among consumers about their brands, products, etc. Only then will consumers become influencers who can drive growth. As usual in marketing, testing is key.

Sources include:

“Emails Gone Viral: Measuring ‘Share to Social’ Performance,” A Silverpop Benchmark Study, 2009