

# Why social media is becoming one of your most strategic business management tools

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Over the past five years, social media has evolved from an extension of a company's public relations efforts into a strategic business tool. Today, the savviest companies understand that social is as much about relationship management, product development, risk management, and human resources as it is about marketing.



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It is at once a powerful source of business intelligence, a tool for building authentic personal connections at massive scale; and a way to improve measurement of marketing and advertising performance. Little wonder that some companies today run social media war rooms where executives across the organisation can track social metrics.

Here are eight ways that leading companies are using social channels to boost the performance of their businesses that go far beyond the obvious uses of customer service, marketing and reputation management.

## 1. Social listening to understand customers' needs and desires

Social media chatter can be a great source of information about what customers really think about your products and services as well as what they really want and need from your category. It's unfiltered data that gives you a more accurate view of what people's needs, frustrations and wants are than you'd get from most market research. The biggest plus is that you can get a view of what consumers are looking for, what they like, and what they don't like in their own language.

## 2. Gathering competitor intelligence

Listening to social media isn't just a good way to track customer discussions about your own brands and products - it can also give you an interesting perspective of what customers think of rival products and brands. This can help you understand your own strengths and weaknesses compared to the competition so you can craft better marketing messages.

## 3. Measuring marketing performance

Social listening tools can yield interesting insights into the performance of your marketing and advertising campaigns, in

turn increasing the accountability of your agencies and internal teams. You can get some worthwhile quantitative data - are people talking about the campaign and how much of the conversation has a positive or negative tone - as well as qualitative insights - do the conversations show that people are taking the right message from your adverts?

## **4. An early warning system for looming corporate crises**

Active social listening can give you advance warning of potential crisis situations such as a defective product that slipped through your quality control processes, a negative rumour that might affect your share price, or high volumes of calls impacting your contact centre's service levels. You can use this information to rally your teams (whether it's customer service, corporate communications and legal) and draw up a response plan before the storm arrives.

## **5. Building rapport with potential new customers**

Social media isn't really the right platform for cold calling new prospects, but it can be a great platform for building rapport with them. You can gently insert yourself into conversations when you can offer helpful advice and become part of general industry discussions to start building new relationships with people who might be interested in your brand or product.

## **6. A way to track public perception around sensitive business issues**

Today's customers value authenticity, transparency and a social conscience.

Through social media, you can learn about how they perceive your brand, especially when it comes to issues such as environmental sustainability and corporate social investment. You can't spin around any of these issues, so you do need to listen with an open mind and communicate in good faith when you tackle them in the social sphere.

## **7. Enhancing customer retention**

Social media is arguably even more important for customer retention than it is for customer acquisition. When someone follows your brand on Twitter or Facebook, they're invested and interested in you, and quite possibly already a customer. Used well, this is an opportunity to add value to their lives through meaningful content and conversation. These sorts of links can help promote customer loyalty.

## **8. Recruitment**

Don't underestimate how valuable social media can be to your human resources department. It can be a great help in sourcing new candidates for jobs at your business - post a job on LinkedIn or share it on Facebook and the CVs will pour in. It can also be helpful in understanding how candidates view your business as an employer as well as a source of intelligence about people you're thinking of hiring.

## **Closing words**

Social media today is a lot more than just a post on a fan page. Today's technologies enable you to listen, monitor and manage social conversations in a way that drives better performance throughout your business.

## **ABOUT ANDRE STEENEKAMP**

As CEO of 25AM, Andre Steenekamp leads the company's expansion in South Africa's fast-growing digital marketing and advertising space. His 25-year career has seen him work in a range of sales, marketing and management positions for leading traditional and digital publishers and agencies. Steenekamp was appointed to his current role following the acquisition of a 50%-stake in Acceleration Media by Times Media Limited.

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