MODERN MARKETING ESSENTIALS

Grande Guide to Social Advertising



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What Is a Grande Guide?

You know what the typical day is like for marketers. Between brainstorming and strategy sessions, last-minute requests and impromptu meetings, and trips to meet customers, you can barely find time to breathe —never mind keep up with the latest marketing trends. That's why Oracle Eloqua developed the Grande Guide series. The Grande Guides were developed to give you the opportunity to become proficient in a key marketing topic—in this case, social advertising—with a minimal investment in time.

This Grande Guide is about advertising in the social media sphere—what it means, why it's worth it, and how best to approach it.



Introduction to Social Advertising

When you think of social advertising, you might think of the ads you see on the side of your Facebook profile, and you'd be right. Partially. Social advertising is about advertising on social networks. But it's also about enticing people to interact with your ads, instead of blocking them out.

Getting the prospect to participate in your brand message is the basic goal of a social media advertising plan, whether that involves passively viewing an ad, voting your ad up or down, talking about your ad, or completing the call to action.

Social advertising challenges a brand to think differently about both social engagement and advertising. It requires marketers to appeal to the prospect in new ways. Of course, the primary objective of most social advertisements is to trigger an action—a purchase, a download, a "Like", Share, or a +1. But the secondary objective, of permeating the viewer's social network via friend-to-friend recommendations, is just as important. Brands whose ads are socially vetted enjoy an overall lift in engagement and sentiment.

Social advertising is designed to leverage what the advertising platform knows about a potential customer's social network. By using social influence, game mechanics, friend-to-friend content-sharing, trusted recommendations, and other social dynamics, brands can increase the value and effectiveness of their marketing spend while simultaneously reducing the cost.

Are Social Advertisements Worth My Time and Effort?

Targeted social advertisements, coupled with research and measurement, are absolutely worth your time and effort. Global social network advertising revenues are projected to double 2012 figures by 2014—climbing from $7 to 14 billion. Moreover, 70 percent of advertisers are currently devoting at least a small portion of their budget to social networks now. With the increased adoption of publishing and sharing tools like Tumblr, Twitter, and Facebook, it's now even easier for people to create content around your brand. Social ads, if remarkable, help trigger this online word of mouth.

When researching a purchase, people give a disproportionate weight to peer recommendations (even if the peer is a stranger who posted an Amazon review). According to *Socialnomics* by Eric Qualmann, a whopping 78 percent of consumers trust peer recommendations more than traditional advertisements.

Though not an automatic sign from an audience that they want to receive marketing messages, a study by Espresso revealed a sizable 76 percent of all people who follow or Like a brand on social channels welcome some (channel-appropriate) form of advertising. A marketer's job today requires choosing ad platforms wisely—making sure brand promotions are published on sites where content is consistent with the target audience's interests.

More simply still: According to the Espresso study, 70 percent of those online have read a corporate blog, 67 percent have watched a commercial or branded video on YouTube, and more than 65 percent have played a branded game. If marketers want to appeal to this net-savvy audience, they need strategic and creative social advertisement development, promotion matching, and content distribution.

Rules for Social Advertising

A few guidelines keep the advertising consistent with the target audience's interest, and hence engagement.

- **Find Your Audience.** Assuming you know which social networks your prospects prefer is a reliable way to misallocate your advertising budget. As part of a social media marketing plan, you need to spend time researching which networks your potential buyers frequent for community interaction and information. This step will save you money and improve performance later.
- **Think: Focus.** You don't necessarily need to spend hundreds of thousands, or even tens of thousands of dollars on a social advertising campaign. In fact, in some cases, a few hundred dollars might be all that's needed. Social advertisements are more about targeting and efficiency than mass awareness. Think about the exact people you want to reach with your message: who they are, where they live, what they do for work and fun, their companies of interest, hobbies, and so forth. Fine-tune your campaign to target them and only them. One word of caution for small businesses: some ongoing social-advertising campaigns are charged to credit cards and it can be easy to forget that you're incurring regular expenses.
- **Keep It Short.** If you thought mastering the 140-character Tweet was easy, you're in luck. Folks have a short attention span, and you'll need to use those 140-character elevator-pitch skills you've been honing to catch their interest as quickly as possible, then use your content savvy to induce engagement. A clear call to action, hyper-personalization, and a dash of intrigue or humor is an ideal formula.
- **Maximize Keywords.** One way to avoid wasting your money is to become a keyword surgeon. Google's free Keyword Tool is a great starting point, but there are many options out there for brands looking to see what words bring them the most traffic, what words their competitors use, and what people search for related to their industry.
- **Tell Viewers What to Do.** People are more likely to engage with your brand if you tell them what to do and then make it easy for them to do it. Whether you want them to click a button, complete a form, or retweet a post, making your request unambiguous will dramatically increase the probability of a desired action. Remember, social advertising is all about engagement. Make interaction simple.
- **Drive Customers Home (to Your Website/ Microsite/Landing Page).** In many cases, the data provided on social platforms will be less rich than what you can collect on your own web properties. Your best bet for tracking metrics (and triggering conversions) is to route prospects to a microsite or a custom landing page designed specifically for the campaign. Also try to minimize the number of clicks required to complete the call to action and reduce the number of form fields to essentials-only. You can use progressive profiling to capture more data later.

- **Don't Spread Yourself Too Thin.** Pick a couple of social advertising sites at a time. Trying to blast the entire Internet with your social advertisements is not only a waste of money, it's also harder to track and fine-tune. Less frequent, higher-quality ad engagement in a more targeted and audience-appropriate manner is a preferable model on the social web. Relevance is key.
- **Engage and Entertain.** Although captive audience marketing is long over, for many advertisers, the urge to broadcast is like a phantom limb. They feel an itch, but there's nothing there to scratch. Social customers choose which brands they listen to—and attributes like human, entertaining, and informative tend to be the qualities people find most connection-worthy. The seeds of loyalty are sown well in advance of purchase.

Internet Users in North America Who Would Buy a Brand Because a Friend "Likes" or Follows it on a Social Network, March 2012 (ages 18-64):

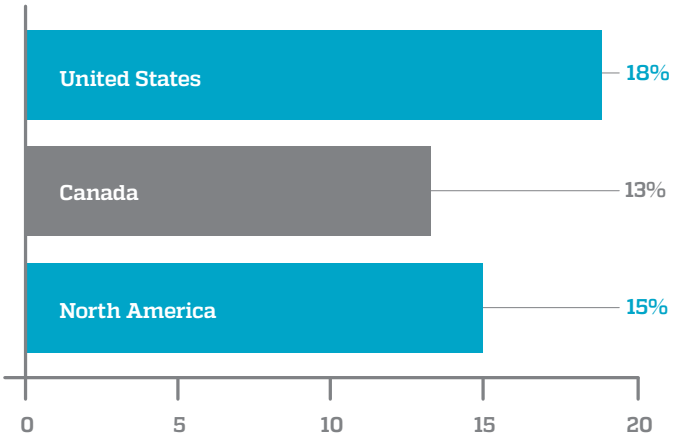


FIGURE 1. LOYALTY CORRELATES TO SOCIAL ENGAGEMENT AND LIKELIHOOD TO PURCHASE[1]

1. eMarketer/Article: http://www.emarketer.com/Article/Ripple-Effect-of-Following-Brand-on-Social-Media/1009177 (source: Ipsos OTX and Ipsos Global @dvisor, "Socialogue," June 26, 2012).

Top Social Advertising Platforms This Minute

Because the market is so fluid, it can be difficult to figure out where your social advertisements should be placed from one minute to the next. It helps to focus on the most popular networks first, making sure you have metrics in place to know if your ad is effective, and, if not, what modifications you should try next.

TWITTER

Twitter has been adding advertising features at a rapid pace in a bid to prove its revenue can scale with its audience. They have focused the bulk of their efforts on celebrities, entertainment properties such as film premieres, and big brands by offering Sponsored Tweets, Promoted Trends, and Promoted Accounts in a beta program. Twitter plans to make its first push for small business later in the year with the introduction of self-service ads, which will compete directly with both Facebook Ads and Google AdWords[2].

Types of Twitter Ads

- **Sponsored Tweets.** A sponsored Tweet allows a brand to push a Tweet to the top of the Twitter timeline for any keyword, similar in function to a sticky post on a blog or a saved item in your RSS reader. This means that users will see your Tweet before they see others when they perform searches on the people and brands they care about.

- **Promoted Trends.** In Twitter parlance, a trend is a trending topic, often based on a popular hashtag. Twitter displays these trends in the right-hand sidebar on Twitter.com, and many Twitter client applications display them in their search function. A promoted trend is a purchased phrase or keyword that is floated to the top of the trend list, similar to the promoted Tweet. The difference is that clicking on a promoted trend will take you to a page displaying all Tweets about that topic, driving brand awareness through user-generated engagement. (A promoted Tweet only takes you to the Tweets related to the brand itself.)

- **Promoted Accounts.** The Promoted Accounts option is Twitter's option for brands that want to increase their following. Many sophisticated marketers are moving away from pure follower counts as a valuable KPI, and are instead looking for relevance. However, as marketers view Twitter as a distribution channel for news, it's understandable that many would want to build as large an audience as possible. Twitter includes a Verified Account badge with Promoted Account purchases.

- **Future: Self-Service Ads.** Twitter is continually expanding its product suite, and it appears its next target is the self-service display-ad market, putting it in direct contention with Google's AdWords, and Facebook and LinkedIn Display Ads. This will likely be the most affordable option. That should allow marketers and brands to create their own keyword-driven ad campaigns on Twitter for a lower entry cost more appropriate to experimental ads from large brands or the midsize market.

2. Oracle Eloqua has spoken to Twitter about being part of the company's advertising beta. In those discussions Twitter supplied Eloqua with not-for-publication information. All of the content in this section was collected using secondary research techniques. None of it reflects the information supplied by Twitter.

Twitter True Cost

To measure the true cost of a Twitter ad, you need more than the financial cost of the campaign. It's also possible, though difficult to quantify, that some companies may experience a loss of affinity for their brands. Some Twitter users may perceive sponsored content to be invasive, an obstruction to the free flow of information that's made Twitter a news hub.

Twitter ROI

Because Twitter's advertising product is in a closed beta, and because the company has not released pricing, there are no reliable return on investment (ROI) studies.

FACEBOOK

Facebook Ads offer some serious firepower for a variety of brands—often for a fairly low entry fee. According to eMarketer, worldwide paid advertising on Facebook will reach $5.89 billion this year and continue rising by more than 20 percent annually through 2015, when spend will approach $9 billion—a huge sum that makes it number one in the country. Toss in some of the more advanced options they offer at higher price points, and even Fortune 500 companies enjoy measurable impact on Facebook. Ultimately that's the rare and unique power of Facebook Ads: it scales to meet the needs of everyone, from boutique retailers to multinational business-to-business enterprises.

Types of Facebook Ads

In competition with Google's AdWords, Facebook offers self-service Display Ads to its user base. Unlike AdWords, which serve ads based on the viewer's search terms, Facebook Display Ads layer in the target's social graph data, and are served according to the preferences and settings of all Facebook users in the advertiser's chosen demographic. Facebook Display Ads offer metrics and statistics for tracking an ad's performance and an ongoing billing plan, which a social advertiser can start, stop, or modify at any time. As a general rule, the narrower an audience a company wishes to target, the higher a cost per mille (CPM) the advertiser should expect to pay.

Facebook offers some high-end campaign consulting as well as targeted branding on Facebook pages for big brands and users with a large marketing budget. This offering tends to be designed for large brands or entertainment properties, such as studio films that want a highly targeted fan page with fully sanctioned contests and other fan growth premiums. Smaller businesses may instead elect to invest in a well-designed fan page using the iFrames feature (formerly FBML) combined with display ads targeted at their desired audience.

Perceived Cost and Real Cost with Facebook

The perceived cost of a Facebook Display Ad is minimal, as Facebook promotes this product as starting at mere dollars a day. Other Facebook advertising options are perceived to be more expensive because the pricing is not as transparent and the services tend to be used by larger brands.

Facebook ROI

The ROI of a Facebook ad varies according to the industry and company's objective. There are a number of competing—and often contradictory—studies that assign a value to a Facebook fan. Being a subscription business, Oracle Eloqua places a high value on customer retention. Our internal studies have determined that clients who Like us on Facebook are 700 percent more likely to be brand promoters than our baseline client. As a result, we prioritize this audience when it comes to our marketing communications, and we actively engage in a dialogue with this vital community. Further, big brands like JetBlue are enjoying significant returns on Facebook expenditures, and movie studios are seeing good return on branded pages, but fewer smaller brands have published their own compelling case studies at this point.

LINKEDIN

LinkedIn is an often-overlooked channel for ad placement. It offers a very targeted network of like-minded, business-focused people looking for products, services, and connections. However, using LinkedIn Direct Ads comes with some drawbacks, mostly relating to cost and lack of fine metrics.

LinkedIn offers a wide variety of paid ad and marketing options, but, according to some, its options are the hardest to track. For a large company that wants to white-label more of its LinkedIn presence, the advanced, higher-cost options might be most beneficial. For smaller companies, LinkedIn Display Ads will be the better value.

LinkedIn offers a comprehensive array of accepted formats for each of its ad types, including iFrame and JavaScript tags—in banner surveys, as well as third-party tags with click-tracking via macros and redirects.

Types of LinkedIn Ads

- Display Ads
- Company Pages (recommendation ads)
- Enhanced Custom Groups
- Sponsorships of LinkedIn Answers, Polls, Applications, and Events
- White Paper Distribution
- Partner Messages

Perceived Cost and Real Cost with LinkedIn

Display Ads are by far LinkedIn's best-known option. Businesses are comfortable spending money on LinkedIn because they know that on LinkedIn, business interests come first. There are, however, some pitfalls for advertisers, even on a network as reliable and vetted as LinkedIn. For example, budget bleed can be a challenge for brands using LinkedIn Display Ads. Marketers may be unaware that LinkedIn may exceed their ad budget by a small percentage each day.

LinkedIn ROI

In a case study published by the advertiser, Qwest Business credits its LinkedIn campaign in tandem with measured print advertising for a 40 percent increase in memberships. Oracle Eloqua also advertises on LinkedIn, finding it to be an effective channel for reaching the often elusive business-to-business buyer.

SLIDESHARE

SlideShare reaches a target market similar to LinkedIn, as well as educators and professional speakers. This audience profile, combined with the fact that visitors frequent SlideShare not only for social connections but also to consume substantive content, creates a viable opportunity for brand marketers—especially those in business-to-business marketing.

Types of SlideShare Ads

- **Branded Channels.** SlideShare offers various PRO account options, with pricing ranging from US$19 to US$249 per month depending on factors such as storage capacity, degree of personalization, and data access. Premium account-holders SolarWinds, the White House, Ogilvy, Dell, Oracle Eloqua, and others have recognized something not enough companies have: SlideShare PRO is arguably the best value in all of social media advertising. The extent of branding and depth of data are simply unmatched for the cost.
- **LeadShare.** A feature requiring a paid PRO account, LeadShare allows the user to insert a form into their SlideShare-hosted content to capture the viewer's profile information. Very few social platforms plug into demand-generation marketing, making this tool from SlideShare highly valuable for marketing operations and demand-generation professionals. For added value, Oracle Eloqua offers a free cloud connector that allows LeadShare users to auto-populate their Eloqua database with leads captured on SlideShare.

- **AdShare.** The AdShare program is a pay-per-click model for promoting a brand's content. It serves the promoted content based on each visitor's search terms. The social advertiser pays a nominal fee (US$0.25) for each click. The more often a piece of content is clicked, the more often it's promoted. In this way, AdShare is similar to Google's AdWords system.
- **Featured Spots.** Each day the SlideShare homepage features the day's most popular slide presentations in a high-traffic Featured section of the web site. Each day two of these are promoted decks; the rest are editorially chosen based on views and quality.

Perceived Cost and Real Cost with SlideShare

SlideShare offers tremendous branding, awareness, networking, data, and lead generation value. Its pricing model is also affordable for most companies. Oracle Eloqua has found it to be an indispensable channel for its social marketing efforts.

SlideShare ROI

Because SlideShare's LeadShare tool allows marketers to capture leads and feed those names into either their **lead nurturing** system or share them directly with sales, it's positioned to lead in terms of measurable ROI. One word of caution: inserting a form into all of your SlideShare-hosted content may reduce the number of views and pass-alongs. So, as with all content marketing, be sure to match the right content with the right distribution strategy.

3. For more information on Geolocation, check out Oracle Eloqua's Social Media ProBook at blog.eloqua.com/social-media-probook.

GEOLOCATION

Geolocation services like Foursquare, Gowalla, and others offer a unique way to produce in-the-moment sales and roving recommendations from customers in real time. These services don't offer traditional advertising (like banners or displays), but instead offer brands a chance to offer specials, or incentives, or even give digital gifts, like badges and passports, to their customers. Because these offers are made to customers who are in or near one of the brand's physical locations, the efficacy is very high.[3]

Types of Geolocation Ads

- **Free Tips, Specials, and Suggestions.** Ads on geolocation services like Foursquare and Gowalla are less direct than those placed on other services. The most common form of social advertising is the freebie model: specials, tips, check-in messages, and highlights. Foursquare layers brand experiences into the messaging, whereas Gowalla offers more obvious branding opportunities (such as their partnership with Disney in the Disney Theme Park Passport effort).
- **Purchased Badges or Passport Stamps.** Both Gowalla and Foursquare offer brands a way to purchase badges (Foursquare) and passport stamps (Gowalla). The price for these ranges from US$100 (when Gowalla runs one of its periodic sales) to tens of thousands of dollars. Additionally, there may be a waiting period for these items, as both companies are still very much in start-up mode and must meet demand with a limited staff.
- **Partner Pages.** Both Foursquare and Gowalla offer advertisers the opportunity to brand a page on the geosocial network. Each company's offering differs slightly. BravoTV offered a branded page on Foursquare with custom badge and branded tips around certain cities relating to the network's shows. Similarly, Disney teamed with Gowalla to implement a similar program to promote its theme parks.

Perceived Cost and Real Cost with Geolocation

Most brands perceive the cost of geolocation ads as falling under time and resources. They anticipate the actual cost to be less than the business disruption the program would require. Without a wide array of premium options, this perception is partially right. Participating in each network and manually enticing potential customers with hints, tips, and suggestions can be time-consuming and disruptive. Further, to mine the analytics of each geosocial platform and modify offers accordingly adds yet another layer of complexity. But for businesses that have physical points of presence, this effort is worthwhile because geosocial is one of the fastest-growing categories in all of social tech.

For large brands or properties that have the budget for premium options, geo's options extend beyond branding-only benefits. Foursquare and Gowalla enable businesses to offer discounts, rebates, and incentives to shoppers according to the time of day, the individual's physical location, and the number of times the person has visited the store. Obviously, this is an immensely powerful combination.

Geolocation ROI

One brand that is working hard to measure the ROI of geolocation is Radio Shack. After focused efforts on Foursquare, the company claims a 350 percent increase in sales. They did this via a "Holiday Heroes" campaign that offered in store discounts for reaching certain check-in achievements at a variety of locations.

What Do I Need to Be Cautious About Regarding Social Advertising?

A socially connected audience is just as likely—potentially even more likely—to post about a negative experience as a positive one. To avoid critical comments about your ads, it's important to know which online communities your prospects frequent and understand the social mores of the networks on which you plan to advertise. Each site has its own unique language, culture, and set of social norms. Understand what that community values before running an ad on the platform.

Keep in mind that your audience uses these social sites primarily to interact with family, friends, and colleagues. Users will perceive too much advertising as invasive or inconsistent with their desired experience. Also, social media participants expect a two-way dialogue, so one-way, broadcast-style advertising is unlikely to be embraced on social media channels.

Social Advertising to Millennials

Nicole Payne, a former high-school student intern at Oracle Eloqua, contributed this section about specifically targeting young people age 13–25, also referred to as "millennials".

When it comes to social media, millennials expect ads to be responsive, compelling, and tailored to their interests. Because of the sheer amount of time we spend online, social media has emerged as a popular forum for advertising. But not all social media sites are equal.

REACH

When it comes to size and fervency of audience, Facebook is undoubtedly the king. According to Quantcast, 76 percent of Facebook users visit the site at least 30 times a month. Meanwhile, Twitter has a rate of 57 percent and sites like LinkedIn and Foursquare had a rate less than 1 percent

The demographic makeup of Facebook versus Twitter is fairly stark. Over 46 percent of Facebook's user base is between the ages of 13 and 25 versus 17 percent for Twitter. Despite LinkedIn's professional focus, nearly 21 percent of its users are between 18 and 24 years of age.

TARGETING

Because millennials post a variety of personal information on Facebook it is possible to place extremely specialized ads—using not only location and demographic data, but specific user interests. Twitter's Promoted Tweets advertising model is less sophisticated and works more like Google AdWords, targeting based on keywords and searches. LinkedIn can target by geography, job function, seniority, industry, gender, age, and, interestingly, by life change.

HOW BEST TO ADVERTISE TO MILLENIALS

I conducted my own personal survey of 65 teens on Facebook. The millennials surveyed were more then twice as likely to respond to display ads on Facebook than on the side of Google, and 19 times more likely to respond to Facebook advertisements then Twitter ads.

What millennials prefer is a clean, unobtrusive ad experience. Businesses looking to reach millennials should keep these best practices in mind:

- **Be Transparent.** People are more willing to listen to their peers than the company, and the more transparency you have on your site the better.
- **Be Interactive.** It's no longer enough to just have something to look at; you need something to entertain them as well, and make them want to return to your site.
- **Be Generous.** Offer some sort of benefit, like promotional deals, to earn loyalty and to keep millennials coming back.

Conclusion

The primary differentiator of social-media advertising is that it's about enticing people to interact with your ads, whether triggering an action such as a purchase or a download, or connecting to the viewer's social network via "Likes" or peer recommendations. It's all about engagement. In this new world of user-generated content, your goal is to encourage people to actively participate in your branding message.



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