# Table of Contents

**Executive Summary** ................................................................. 2  
Welcome to MarketingSherpa’s 2010 Social Media Marketing Benchmark Report. .......................... 2  
**Social Marketing ROAD Map and Maturity Model** .......................................................... 3  
A Practical Method for Mapping an Effective Social Marketing Strategy ........................................ 3  
**Social Marketing Maturity is in Transition from Trial to Strategic** ............................................. 4  
Where Organizations are in the Social Marketing Maturity Lifecycle ............................................. 4  
**2010 Social Marketing Budgets Defy Economic Concerns** ...................................................... 5  
Change in Social Marketing Budget from 2009 to 2010, by Industry Sector ....................................... 5  
**Aligning Social Marketing Objectives with Corresponding Metrics** ............................................ 6  
Objectives that are Targeted and Measured, by Social Marketing Maturity ...................................... 6  
**Three Dimensions of Social Marketing Tactics** ........................................................................... 7  
Comparing the Effectiveness, Effort Required and Usage of Social Marketing Tactics ............................ 7  
**How Consumer Use Affects Relationships with Commercial Interests** ........................................... 8  
Why We Friend and Follow Companies ............................................................................................ 8  
**Technology Buyers’ Voice of Choice, by Social Media Platform** ................................................. 9  
Preferred Primary Voice of Insight and Opinion on Vendor-Hosted Social Platforms ............................ 9  
**PART I: The State of Social Media Marketing** ............................................................................. 11  
**Chapter 1: Challenges to Achieving Social Marketing Objectives** ............................................. 12  
**Learning from Past Challenges** ................................................................................................. 12  
1.01 Challenges to Social Marketing Effectiveness Last Year ......................................................... 12  
1.02 Very Important Challenges to Effectiveness Last Year, by Social Marketing Maturity .............. 13  
1.03 Very Important Challenges to Effectiveness Last Year, by Industry Sector ................................. 14  
1.04 Very Important Challenges to Effectiveness Last Year, by Organization Size ............................ 15  
1.05 Very Important Challenges to Effectiveness Last Year, by Primary Market ............................... 16  
**Preparing for the Challenges Ahead** ......................................................................................... 17  
1.06 Challenges Changing for Social Media Marketers in the Year Ahead ....................................... 17  
1.07 Challenges of Increasing Importance Next Year, by Social Marketing Maturity ....................... 18  
1.08 Challenges of Increasing Importance Next Year, by Industry Sector ....................................... 19  
1.09 Challenges of Increasing Importance Next Year, by Organization Size .................................... 20  
1.10 Challenges of Increasing Importance Next Year, by Primary Market ....................................... 21  
**The Challenge of Multiple Roles and Outsourcing Responsibilities** ............................................ 22  
1.11 Social Marketer’s Involvement in Other Marketing Tactics .................................................... 22  
1.12 Time Spent Managing or Involved with Social Media Initiatives ........................................... 24  
1.13 Outsourcing Social Media Marketing Responsibilities ............................................................ 25  
1.14 Outsourcing Now or Planning to Next Year, by Social Marketing Maturity ............................... 26  
1.15 Outsourcing Now or Planning to Next Year, by Industry Sector ............................................. 27  
1.16 Outsourcing Now or Planning to Next Year, by Organization Size .......................................... 28  
1.17 Outsourcing Now or Planning to Next Year, by Primary Market ............................................. 29  
**Chapter 2: Social Marketing Budgets and Financial Metrics** ..................................................... 30  
2.01 Departmental Responsibility for Social Media Budget ........................................................... 30  
**Perceptions about Social Media are Changing** .......................................................................... 31  
2.02 How Social Media is Perceived at Budget Time ..................................................................... 31  
2.03 How Social Media is Perceived at Budget Time, by Social Marketing Maturity ....................... 32  
2.04 How Social Media is Perceived at Budget Time, by Industry Sector ....................................... 33  
2.05 How Social Media is Perceived at Budget Time, by Organization Size .................................... 34
Chapter 3: Social Marketing Maturity and the Social Marketing ROAD Map

PART II: Benchmarks for Mapping an Effective Social Marketing Strategy

PART III: Marketer Insights: Social Marketing Planning Process

Chapter 4: ROAD Map – Research

Monitoring Target Audience

Monitoring and Measuring with Precision
Chapter 12: The Agency Perspective on Social Media Marketing .......................... 196
What Agencies, Consultants and Marketing Service Providers Think.......................... 196
12.01 The Targeting and Measurement of Social Marketing Objectives......................... 196
12.02 The Perception of Social Media Marketing at Budget Time .............................. 197
12.03 Effectiveness of Social Media Tactics ......................................................... 198
12.04 Objectives Social Media Achieves ............................................................... 199
12.05 Monitoring and Measuring Social Marketing Impact ...................................... 200
12.06 Tools Used for Monitoring and Measuring Social Media ................................ 201
12.07 Effectiveness of Integrating Social Media into the Marketing Mix ...................... 202
Agency Insights: Obstacles to Effectiveness ......................................................... 203
12.08 Agencies Share Insights on Client Obstacles to Social Marketing Effectiveness .... 203

Chapter 13: Social Media Content and the IT Investment Decision ......................... 208
Social Media Use Increasing While Content Preferences Changing ......................... 208
13.01 Change in Social Platform Use for IT Investment Decisions Over the Next Two Years... 208
13.02 Content Preferred at Stages of IT Investment Decision Process, by Social Platform ..... 209
13.03 Preferred Topics or Issues Emphasized on Vendor-Hosted Blogs ...................... 210
13.04 Preferred Topics or Issues Emphasized on Vendor-Hosted Boards / Forums ..... 211
13.05 Preferred Topics or Issues Emphasized on Vendor-Hosted Microblogs .............. 212
13.06 Preferred Topics or Issues Emphasized on Vendor-Hosted Social Networks ..... 213
13.07 Preferred Topics or Issues Emphasized on Vendor-Hosted Wikis ..................... 214
Content IT Decision-Makers Want and Who They Want it From............................ 215
13.08 Preferred Content Types Offered on Vendor-Hosted Blogs .............................. 215
13.09 Preferred Content Types Offered on Vendor-Hosted Boards / Forums .............. 216
13.10 Preferred Content Types Offered on Vendor-Hosted Microblogs ..................... 217
13.11 Preferred Content Types Offered on Vendor-Hosted Social Networks .............. 218
13.12 Preferred Content Types Offered on Vendor-Hosted Wikis ............................. 219
13.13 Preferred Primary Voice of Insight and Opinion on Vendor-Hosted Social Platforms ... 220

Chapter 14: Social Consumption for Business and Personal Use .......................... 221
Social Media Participation and Behavior ............................................................. 221
14.1 Demographics of Social Network Users .......................................................... 221
14.2 Friends and Contacts in Social Network ......................................................... 222
14.3 Social Network Membership ........................................................................ 223
14.4 Comparing the Number and Size of an Organization’s Social Networks by Segment .. 224
14.5 Six Month Change in Active Social Media Use .............................................. 225
14.6 Twitter Users Reveal Their Attitudes and Opinions About Social Media in General .... 226
14.7 Consumer Use of Social Networks – Facebook, MySpace and Twitter ............... 227
14.8 Social Networks Lead Year-Over-Year Increase in Online Audience ............... 228
14.9 Social Networks Leads Year-Over-Year Increase in Time Spent ...................... 229
14.10 Facebook Growth Based on Broader and Older Audience ............................ 230
The Business Side of Social Media Consumption ................................................ 231
14.11 Reasons for Management Use of Social Media ............................................. 231
14.12 If Management is Not Using Social Media for Business Purposes, Why? ............. 232
14.13 Social Media is Leading Method Used to Engage Employees and Foster Productivity ... 233

APPENDIX ............................................................................................................. 235
Appendix 1: Social Media Marketing Benchmark Survey Demographics .................. 236
A1.01 Number of Employees in Organization Worldwide ....................................... 236
A1.02 Type of Organization Marketers Works For .......................................................... 237
A1.03 Primary Target Market .......................................................................................... 238
A1.04 Primary Industry Sector ....................................................................................... 239

Appendix 2: Research Partners and Other Data Sources Referenced ..................... 240
Research Partners ......................................................................................................... 240
Other Data Sources ........................................................................................................ 241

Appendix 3: Social Media Marketing Glossary ............................................................ 242
Executive Summary

Welcome to MarketingSherpa’s 2010 Social Media Marketing Benchmark Report.

An important transition in the use of social media for marketing purposes is taking place. A rapidly increasing segment of marketers are gaining the experience required to advance from novice to competent practitioner capable of achieving social marketing objectives and proving ROI. This Executive Summary will give you a glimpse into the most complete benchmark study available for guiding marketers through this transition.

In the past year, marketers have been captivated by the ample hype about Twitter, Facebook, blogs and other social media platforms. Their reaction was, for the most part, counter-intuitive to proven marketing principles. They jumped into this new medium thinking tactically about the latest social media platforms they could add to the mix rather than thinking strategically about the objectives they needed to achieve.

In the year ahead, we see social marketing maturing to the point where a majority of organizations will be in transition from the trial phase to the strategic phase of the learning curve. We see marketers first researching the medium (starting with resources like this report) and monitoring audiences to determine realistic objectives, then formulating tactics and implementing tools for accomplishing those objectives.

To make this leap, marketers will need benchmark data to help them better understand what works (and what doesn’t) in social media marketing, and a practical method for mapping a strategy that will lead them to social marketing success. Both of which are provided in this 2010 Social Media Marketing Benchmark Report.

Throughout this report, we have segmented benchmark data into standard demographics like organization size, primary market and industry sector. And for the first time we are segmenting data by the “social marketing maturity” of responding organizations. Social marketing maturity has been defined by the practices of an organization during three logical phases of development. The goal is to demonstrate the disparity in the performance of social marketing programs by organizations in each stage of maturity.

This report also provides valuable insights and commentary from more than 2,300 marketers who participated in the benchmark survey and enthusiastically shared their experiences. Social media has opened a whole new world of possibilities for marketers, and the report that follows will help guide you through this promising new frontier.

As always, we welcome your comments and look forward to hearing from you.

Regards,

Sergio Balegno
Research Director, MarketingSherpa
2010 Social Marketing Budgets Defy Economic Concerns

Change in Social Marketing Budget from 2009 to 2010, by Industry Sector

Chances are your overall marketing budget was hit hard by the economy in 2009 and the prospect of recovering a substantial portion of these funds in 2010 is not very likely. But there is good news for social media marketers. This chart shows that social marketing will benefit from very significant budget increases in the year ahead no matter what industry your organization is in. What this chart doesn’t show is from where these increases will come.

As a relatively new and rapidly emerging tactic, social media is generally funded by either increasing the overall budget or, more often than not in the current economic climate, by shifting funds from other marketing line items to social media. Social marketing budgets are growing at the expense of other tactics and a deeper dive into this study will show you which ones and to what extent.

The human factor will account for nearly 60% of social marketing expenditures next year including staff salaries for blogging, content development, social monitoring, etc. Another 20% of the budget will go outside the organization to agencies, consultancies and other social marketing service providers.
Aligning Social Marketing Objectives with Corresponding Metrics

Objectives that are Targeted and Measured, by Social Marketing Maturity

Defining specific objectives for a social marketing initiative is only half the battle. The other half is aligning those objectives with corresponding metrics. This alignment is important because it enables an organization to measure its progress in achieving the objectives and proving ROI. While obvious, this step is often overlooked.

This chart breaks out the percentage of organizations targeting and measuring social marketing objectives by their social marketing maturity status. Regardless of the specific objective, an organization in the strategic phase of social marketing maturity is much more likely to align their objectives with corresponding metrics than are organizations in the earlier phases.
Three Dimensions of Social Marketing Tactics

Comparing the Effectiveness, Effort Required and Usage of Social Marketing Tactics

The data breakouts for the use, effort required and effectiveness of social marketing tactics are provided throughout this study. In the chart above, we combine these three sets of data to give you a three dimensional view of the tactics.

The effort (time and resources) required of a social marketing tactic often trumps the effectiveness of a tactic in determining its use. The more effort required, the less likely it will be implemented. For example, the most effective tactic shown in the chart above – blogger relations – is used by far fewer organizations than less effective tactics primarily because of the effort required.

This focus on “fast and easy” versus effectiveness is a problem that is far more prevalent with organizations in the trial phase of social marketing maturity than with more advanced social marketers working from a strategic social marketing plan.
How Consumer Use Affects Relationships with Commercial Interests

Why We Friend and Follow Companies

<table>
<thead>
<tr>
<th>Reason for Following</th>
<th>Max Connectors</th>
<th>Daily Users</th>
<th>All Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learn about new products / features / services</td>
<td>61%</td>
<td>61%</td>
<td>62%</td>
</tr>
<tr>
<td>Company culture, environmental resp., workers policies, etc.</td>
<td>48%</td>
<td>41%</td>
<td>30%</td>
</tr>
<tr>
<td>Learn about specials, sales, etc.</td>
<td>46%</td>
<td></td>
<td>65%</td>
</tr>
<tr>
<td>Entertainment - funny or insightful</td>
<td>37%</td>
<td>34%</td>
<td>35%</td>
</tr>
</tbody>
</table>

In reporting on this consumer use study, we make reference to a group we’re calling “Max Connectors” – those people with more than 500 social connections.

The motivations for consumers to track brands and companies through social media are generally predictable. However, there are exceptional aspects. Unlike our motivations for email or catalogs, getting a first or early look at features and products is at least as strong a motivation as beneficial pricing (this is especially true of “Max Connectors”).

Another unique driver of social connectedness with companies is to “get to know” the company. Although other aspects of the Internet have already opened this arena up to scrutiny, social media has accelerated the ability of individual consumers to monitor, communicate and comment on companies as citizens.
### Technology Buyers’ Voice of Choice, by Social Media Platform

#### Preferred Primary Voice of Insight and Opinion on Vendor-Hosted Social Platforms

<table>
<thead>
<tr>
<th>Social Media Platform</th>
<th>Blogs</th>
<th>Boards / Forums</th>
<th>Microblogs</th>
<th>Wikis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Third Parties</td>
<td>15%</td>
<td>13%</td>
<td>21%</td>
<td>24%</td>
</tr>
<tr>
<td>Other Peers and Colleagues</td>
<td>15%</td>
<td>13%</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>Advertising Agencies</td>
<td>10%</td>
<td>7%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Marketing Staff</td>
<td>11%</td>
<td>9%</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>Product Development Staff</td>
<td>15%</td>
<td>11%</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Prospects/Customers</td>
<td>12%</td>
<td>11%</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Product Management Staff</td>
<td>10%</td>
<td>8%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Partners</td>
<td>8%</td>
<td>7%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Professional Services Staff</td>
<td>6%</td>
<td>6%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Sales Staff</td>
<td>3%</td>
<td>3%</td>
<td>4%</td>
<td></td>
</tr>
</tbody>
</table>

Source / Methodology: IDG Connect, IT Investment Decision and Content Preference in Social Media / Fielded Jun 2009, N=100

When vendors host or participate in social conversations, they must realize the preferred voice of insight and opinion varies by platform. This chart is useful in determining who to spotlight in conversational threads. While independent third parties have the highest overall preference, vendor staff can – and should – have a role to insure the conversation stays on topic and works to build legitimacy and a perception of expertise that helps round out the contribution of independent voices.
All-New! Research Data and Insights for Mapping an Effective Social Media Marketing Strategy

The 2010 Social Media Marketing Benchmark Report includes:

- 188 charts and tables
- Research from 2,317 marketers
- 8 critical challenges to achieving success
- Sherpa’s Social Marketing ROAD Map
- Budgeting and financial metrics
- Social media consumption and user behavior
- Research on Twitter, Facebook, LinkedIn and blogging

☐ PDF & Print ($447 plus shipping & handling). Please email me my PDF instant download, plus ship my printed 224 page copy when available.

☐ PDF Only ($397). Please email me my PDF instant download.

First email my PDF copy to: ____________________________

(we respect your privacy)

Then mail my printed copy to:

Name

Title

Organization

Address

City State/Prov Country Zip/Postal

Phone (in case of questions)

Charge my: ☐ MasterCard ☐ Visa ☐ AMEX

Card#: __________________ Exp. Date

Print Cardholder Name __________________

Signature ____________________

OR ☐ Bill Me* ☐ Check Enclosed to MarketingSherpa Inc.

* Billing: I understand I will not receive the Guides until payment is received