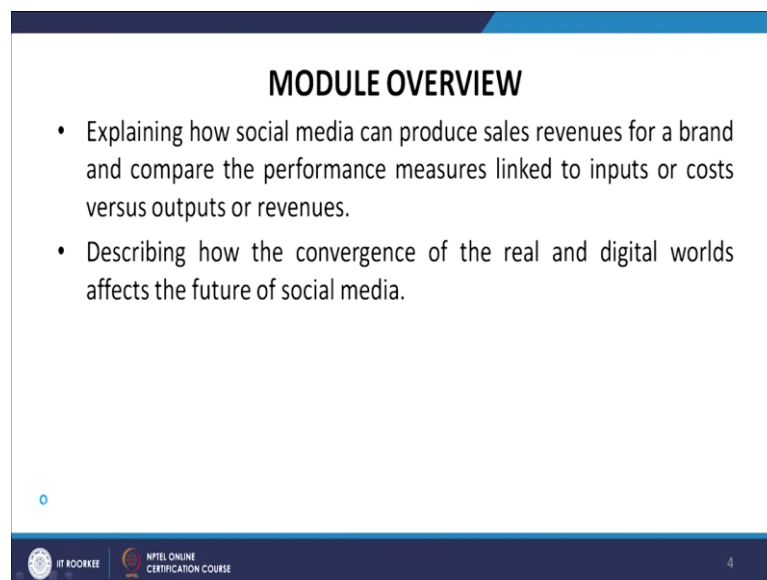


Introduction to Marketing Essentials
Prof. Zillur Rahman
Department of Management Studies
Indian Institute of Technology, Roorkee

Lecture - 36
Using Social Media to Connect with Consumers – II

Welcome to Introduction to Marketing Essentials. Now, we will talk about module 36. Now, you as we have seen in module 35, we are talking about Using Social Media to Connect with the Consumers. So, we continued with in module 35 with the same thing in with the same topic. Now, let us see what we will talk about related to social media in this module.

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MODULE OVERVIEW

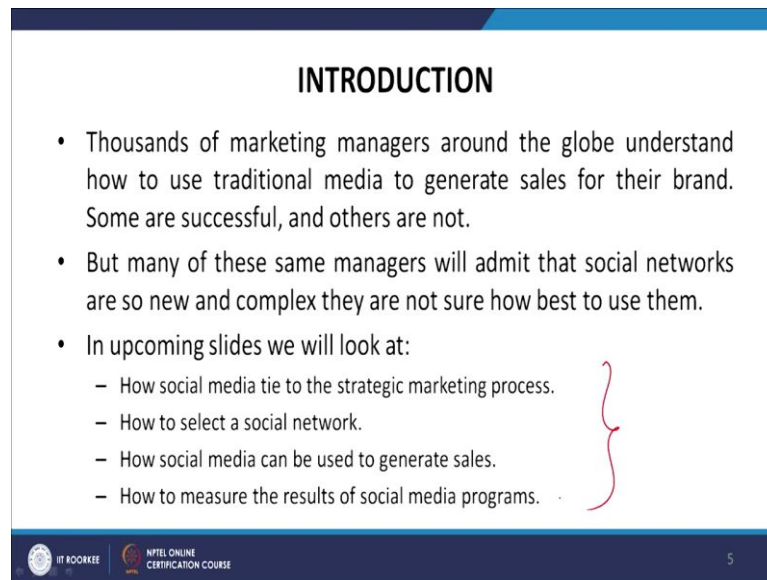
- Explaining how social media can produce sales revenues for a brand and compare the performance measures linked to inputs or costs versus outputs or revenues.
- Describing how the convergence of the real and digital worlds affects the future of social media.

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So, we will explain how social media can produce sales revenues for a brand and compare the performance measure linked to inputs or costs versus outputs or revenues. Then, we will describe how the convergence of the real and digital worlds affect the future of social media.

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INTRODUCTION

- Thousands of marketing managers around the globe understand how to use traditional media to generate sales for their brand. Some are successful, and others are not.
- But many of these same managers will admit that social networks are so new and complex they are not sure how best to use them.
- In upcoming slides we will look at:
 - How social media tie to the strategic marketing process.
 - How to select a social network.
 - How social media can be used to generate sales.
 - How to measure the results of social media programs.

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To start now, there are thousands of marketing managers around the globe, who understand how to use traditional media to generate sales for their brands. Some are successful and others are not, but many of these same managers will admit that social networks are so new and complex that they are not sure how best to use them. So, in the upcoming slides, we will look at how social media tie to the strategic marketing process how to select a social network, how social media can be used to generate sales and how to measure the results of social media programs. So, these are the things that we will talk about.

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INTEGRATING SOCIAL MEDIA INTO TODAY'S MARKETING STRATEGIES
HOW SOCIAL MEDIA PRODUCE SALES

- An example shows how a Pepsi brand manager can use social media to produce sales and profits for her product or brand.
- Consider the roles of both the Pepsi brand manager and social media in the following example.


Role of the Pepsi Brand Manager

- The Pepsi brand manager composes title, copy, and images or photos for the ad.
- She also specifies the web address to which its ad should link based on the brand's social media marketing goals.

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So, how social media produce sales. An example shows how a Pepsi brand manager can use social media to produce sales and profits for her product or brand. Consider the roles of both the Pepsi brand manager and social media in the following example. So, let us look at the role of the Pepsi brand manager. The Pepsi brand manager composes title, copy and images or photos for the ad. She also specifies the web address to which its ad should link based on the brand's social media marketing goals.

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INTEGRATING SOCIAL MEDIA INTO TODAY'S MARKETING STRATEGIES
HOW SOCIAL MEDIA PRODUCE SALES

- To increase awareness and build up a fan base, she might link the ad to the Pepsi website or its Facebook, Twitter, or Pinterest sites.
- To encourage and produce new sales that can be tracked, she must link the ad to a coupon code, a specific product on the Pepsi website, or other promotional offer.
- The brand manager then defines the characteristics of the one or more market segments she wants to reach on the social media she has selected.

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To increase awareness and build up a fan base, she might link the ad to the Pepsi website or its Facebook, Twitter or Pinterest sites. To encourage and produce new sales that can be tracked, she must link the ad to a coupon code, a specific product on the Pepsi website or other promotional offers. The brand managers then define the characteristic of the one or more market segments, she wants to reach on the social media she has selected.

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INTEGRATING SOCIAL MEDIA INTO TODAY'S MARKETING STRATEGIES HOW SOCIAL MEDIA PRODUCE SALES

- This starts with demographic characteristics like geographic region, sex, age range, and education.
- She then adds factors like relationship status and user interests.

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This starts with the demographic characteristics like geographic region, sex, age range and education. She then, adds factors like relationship status and user interests.

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INTEGRATING SOCIAL MEDIA INTO TODAY'S MARKETING STRATEGIES HOW SOCIAL MEDIA PRODUCE SALES

Role of Social Media

- As an example, Facebook generates its sales revenue by selling ads that appear along the right-hand section throughout the website.
- Facebook sells ads directly to its advertisers in both cost-per-click and cost-per-thousand metrics (see Figure 36.1).

Figure 36.1

Performance Measure	Costs to Advertisers	Who Provides It	Who Uses It	Advantages	Disadvantages
Cost per thousand (CPM)	"I will pay \$2.50 for every 1,000 times the ad loads, up to \$100 per month."	Small websites that sell ads directly (may be using a third party service).	Advertisers who simply want to build "awareness"	Simple to use	Impressions don't always lead to sales
Cost per click (CPC)	"I will pay \$1.00 for every visitor who clicks on this ad and goes from your website to mine."	Most websites use this method—executed by a third party like Google/AdWords.	Advertisers who want to pay for success, but may not be able to track sales from advertisement to purchase	Only pay for a visitor who has expressed an interest in my ad	Ads may not display if they are a poor fit for the viewing audience
Cost per action (CPA)	"I will pay \$5 for every purchase that originated from an ad on your site."	Usually executed through third parties, Google AdSense recently added this feature	Sophisticated advertisers who want to pay for success	Only pay for what works	Similar to CPC, but harder to track and more expensive per action

Source: Roger, K., Steven, H. & William, R. (2013). *Marketing: The Core*. McGraw-Hill Irwin, Fifth Edition.

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So, this is how she keeps on building the profile of the consumers or the customers. Now, let us look at the role of social media. So, this is figure 36.1. As an example, Facebook generates its sales revenue by selling the ads that appear along the right-hand section throughout the website. Facebook sells ads directly to its advertisers in both cost-per-click and cost-per-thousand metrics. Now, let us look at this figure 36.1.

Now, these are the performance measures. So, the first is the cost per thousand that is CPM.

So, the cost to advertiser is I will pay dollar 0.50 for every 1000 times this ad loads up to dollar 100 per month. Now, who provides it a small website that sells ads directly may be using a third-party service and who uses it, advertisers who simply want to build awareness. Then, let us look at the assessment.

The advantages are simple to use, while the disadvantages impressions do not always lead to sales. Another performance measure is Cost Per Click that is CPC, I will pay dollar 1 for every visitor who clicks on this ad and goes from your website to mine, who provides it is most websites use this method executed by a third party like Google, AdWords and who uses it advertisers who want to pay for success, but may not be able to track sales from advertisements to purchase.

Advantages of this is that you need to pay only for a visitor, who has expressed an interest in my ad. While the disadvantage is ads may not display, if they are a poor fit for the viewing audience. The third performance measurement is Cost Per Action, that is CPA. So, now, you see that there are three performance measures.

So, for as usage of social media and social network is concerned. One is cost per thousand, then cost per click and then cost per action. Now, what does this cost per action? What is the cost to the advertiser? I will pay dollar 5 for every purchase that originated from an ad on your site.

Who provides it? Usually, executed through third parties Google AdSense recently added this feature. Who uses it? Sophisticated advertisers, who want to pay for success. The advantages you pay only for what works and it is similar to and the disadvantage of this is that it is similar to CPC, that is the second one, but harder to track and more expensive per action.

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INTEGRATING SOCIAL MEDIA INTO TODAY'S MARKETING STRATEGIES
HOW SOCIAL MEDIA PRODUCE SALES

- In mid- 2012, Facebook charged Pepsi and other advertisers \$8 every 1,000 times their sponsored story ads were viewed or loaded in the main news feed.
- So \$1 million bought 125 million views or impressions for Facebook advertisers.
- Advertisers are increasingly asking how many of these impression lead to a sale and whether other traditional media are better.
- For example, \$1 million gets an advertiser two 30-second TV commercials on popular reality show or 6.5 full-page color ads in a popular lifestyle magazine.

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So, in mid- 2012, Facebook charged Pepsi and other advertisers' dollar 8 for every 1000 times their sponsored story ads were viewed or loaded in the main news feed. So, dollar 1 million bought 125 million views or impressions for Facebook advertisers. Advertisers are increasingly asking how many of these impressions lead to a sale and whether other traditional media are better. For example, dollar 1 million gets an advertisers two 30-second TV commercial on popular reality show or 6.5 full-page colors ads in a popular lifestyle magazine.

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INTEGRATING SOCIAL MEDIA INTO TODAY'S MARKETING STRATEGIES
HOW SOCIAL MEDIA PRODUCE SALES

- In using social media ads, unlike traditional print media, the Pepsi brand manager is not buying placement on a specific section on a Facebook site.
- For example, Facebook determines the most effective placement for the ads based on the demographic and other user criteria the brand manager sets to reach the target market.
- As an example, in early 2012, Pepsi announced its "Live for Now" pop-culture campaign to reinvigorate its brand.

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In using social media ads, unlike traditional print media, the Pepsi brand manager is not buying placement on a specific section on a Facebook site. For example, Facebook determines the most effective placement for the ads based on the demographic and other user criteria, the brand manager sets to reach the target market. As an example, in early 2012, the Pepsi announced its “Live for Now” pop-culture campaign to reinvigorate its brand. In new social media driven, interacting Pepsi pulse website gives the top 10 pop-culture entertainment and a sports events news photo video and so on.

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INTEGRATING SOCIAL MEDIA INTO TODAY'S MARKETING STRATEGIES
HOW SOCIAL MEDIA PRODUCE SALES

- Its new social-media driven, interactive Pepsi Pulse website (www.pepsi.com) gives the Top 10 pop-culture entertainment and sports events, news, photos, videos, and so on.
- Pepsi Pulse allows fans “to easily share content on Facebook, Twitter, and Pinterest.”
- Pepsi Pulse also offers geo-targeting and special deals with its selected partners to enhance the value of the site.

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Pepsi pulse also offers geo-targeting and a special deal with its selected partners to enhance the value of the site.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- Performance measures for social media divide into:
 - Those linked to inputs or costs (Figure 36.1)
 - Those tied to the outputs or revenues resulting from social media.

Performance Measure	Costs to Advertisers	Who Provides It	Who Uses It	Advantages	Disadvantages
Cost per thousand (CPM)	"I will pay \$5.50 for every 1,000 times this ad loads, up to \$100 per month."	Small websites that sell ads directly (may be using a third party network)	Advertisers who simply want to build "awareness"	Simple to use	Impressions don't always lead to sales
Cost per click (CPC)	"I will pay \$1.50 for every visitor who clicks on this ad and goes from your website to mine."	More websites use this method—executed by a third party like Google AdWords	Advertisers who want to pay for success, but may not be able to track sales from advertisement to purchase	Only pay for a visitor who has expressed an interest in my ad	Ads may not display if they are a poor fit for the viewing audience
Cost per action (CPA)	"I will pay \$5 for every purchase that originated from an ad on your site."	Usually executed through third parties. Google AdSense recently added this feature	Sophisticated advertisers who want to pay for success	Only pay for what results	Similar to CPC, but harder to track and more expensive per action

Source: Roger, K., Steven, H. & William, R. (2013). *Marketing: The Core*. McGraw-Hill Irwin, Fifth Edition.

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Now, let us look at how to go about measuring the results of social media programs. So, performance measures for social media divide into those link to input or cost. So, we are talking of first that is those linked to inputs or cost and the second is those tied to the output or revenues resulting from social media. So, there are two ways; one is through the inputs, another is through the output or cost and revenues.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- Clearly, the ideal performance measure for both conventional and social media is one that ties actual sales revenues to the cost of the ad or other promotion.
- With the explosion in the growth of social media, marketing and brand managers are being challenged to connect the cost of these new social network promotions to the sales they generate.
- The result has been an emergence of many new performance measures, often requiring a whole new language.

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Clearly, the ideal performance measure for both conventional and social media is one that ties actual sales revenues to the cost of ads or other promotions. With the explosion

in the growth of social media, marketing and brand managers are being challenged to connect the cost of these social media network promotions to the sales, they generate. The result has been an emergence of many new performance measures often requiring a whole new language. So, this figure 36.1 shows three performance measures for social network linked mainly to input or cost.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

Performance Measures Linked to Inputs or Costs

Figure 36.1 shows three performance measures for social networks linked mainly to inputs or costs.

Performance Measure	Costs to Advertisers	Who Provides It	Who Uses It	An Assessment	
				Advantages	Disadvantages
Cost per thousand (CPM)	"I will pay \$0.50 for every 1,000 times this ad loads, up to \$100 per month."	Small websites that sell ads directly (may be using a third-party service)	Advertisers who simply want to build "awareness"	Simple to use	Impressions don't always lead to sales
Cost per click (CPC)	"I will pay \$1.00 for every visitor who clicks on this ad and goes from your website to mine."	Most websites use this method—executed by a third-party like Google AdWords	Advertisers who want to pay for success, but may not be able to track sales from advertisement to purchase	Only pay for a visitor who has expressed an interest in my ad	Ads may not display if they are a poor fit for the viewing audience
Cost per action (CPA)	"I will pay \$5 for every purchase that originated from an ad on your site."	Usually executed through third parties, Google AdSense recently added this feature	Sophisticated advertisers who want to pay for success	Only pay for what works	Similar to CPC but harder to track and more expensive per action

Source: Roger, K., Steven, H. & William, R. (2013). *Marketing: The Core*. McGraw-Hill Irwin, Fifth Edition.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- Moving down the list of measures shown in Figure 36.1, one starts with a measure tied only to costs (the cost per thousand measure) and then moves to a measure linked more closely to the sales revenues generated from the social media ad or action (cost per action, or CPA).

Performance Measure	Costs to Advertisers	Who Provides It	Who Uses It	An Assessment	
				Advantages	Disadvantages
Cost per thousand (CPM)	"I will pay \$0.50 for every 1,000 times this ad loads, up to \$100 per month."	Small websites that sell ads directly (may be using a third-party service)	Advertisers who simply want to build "awareness"	Simple to use	Impressions don't always lead to sales
Cost per click (CPC)	"I will pay \$1.00 for every visitor who clicks on this ad and goes from your website to mine."	Most websites use this method—executed by a third-party like Google AdWords	Advertisers who want to pay for success, but may not be able to track sales from advertisement to purchase	Only pay for a visitor who has expressed an interest in my ad	Ads may not display if they are a poor fit for the viewing audience
Cost per action (CPA)	"I will pay \$5 for every purchase that originated from an ad on your site."	Usually executed through third parties, Google AdSense recently added this feature	Sophisticated advertisers who want to pay for success	Only pay for what works	Similar to CPC but harder to track and more expensive per action

Source: Roger, K., Steven, H. & William, R. (2013). *Marketing: The Core*. McGraw-Hill Irwin, Fifth Edition.

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So, we are talking of only inputs or costs. Moving down the list of measures shown in figure 36.1, one to starts with a measure tied mainly to cost that is cost per thousand

measures and then, moves to the measure linked with closely to the sales revenues generated from the social media ad or action cost per action. So, we have moving from input to output.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- The cost per thousand (CPM) measure ties to the number of times the ad loads and a user might see it—but not whether the user has actually reacted to it.

Figure 36.1

Performance Measure	Costs to Advertisers	Who Provides It	Who Uses It	An Assessment	
				Advantages	Disadvantages
Cost per thousand (CPM)	"I will pay \$0.50 for every 1,000 times this ad loads, up to \$100 per month."	Small websites that sell ads directly (may be using a third party service)	Advertisers who simply want to build "awareness"	Simple to use	Impressions don't always lead to sales
Cost per click (CPC)	"I will pay \$1.00 for every visitor who clicks on this ad and goes from your website to mine."	Most websites use this method—executed by a third party like Google AdWords	Advertisers who want to pay for success, but may not be able to track sales from advertisement to purchase	Only pay for a visitor who has expressed an interest in my ad	Ads may not display if they are a poor fit for the viewing audience
Cost per action (CPA)	"I will pay \$5 for every purchase that originated from an ad on your site."	Usually executed through third parties, Google AdSense recently added this feature	Sophisticated advertisers who want to pay for success	Only pay for what works	Similar to CPC, but harder to track and more expensive per action

Source: Roger, K., Steven, H. & William, R. (2013). *Marketing: The Core*. McGraw-Hill Irwin, Fifth Edition.

The cost per thousand that is CPM measures ties to the number of times the ad loads and a user might see it, but not whether the user has actually reacted to it.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- This measure is roughly equivalent to the CPM for traditional media discussed in earlier modules.
- The cost per click (CPC) measure gives the rate the advertiser pays, say to Facebook, every time a visitor clicks on the ad and jumps from that page to the advertiser's website.

Figure 36.1

Performance Measure	Costs to Advertisers	Who Provides It	Who Uses It	An Assessment	
				Advantages	Disadvantages
Cost per thousand (CPM)	"I will pay \$0.50 for every 1,000 times this ad loads, up to \$100 per month."	Small websites that sell ads directly (may be using a third party service)	Advertisers who simply want to build "awareness"	Simple to use	Impressions don't always lead to sales
Cost per click (CPC)	"I will pay \$1.00 for every visitor who clicks on this ad and goes from your website to mine."	Most websites use this method—executed by a third party like Google AdWords	Advertisers who want to pay for success, but may not be able to track sales from advertisement to purchase	Only pay for a visitor who has expressed an interest in my ad	Ads may not display if they are a poor fit for the viewing audience
Cost per action (CPA)	"I will pay \$5 for every purchase that originated from an ad on your site."	Usually executed through third parties, Google AdSense recently added this feature	Sophisticated advertisers who want to pay for success	Only pay for what works	Similar to CPC, but harder to track and more expensive per action

Source: Roger, K., Steven, H. & William, R. (2013). *Marketing: The Core*. McGraw-Hill Irwin, Fifth Edition.

This measure is roughly equivalent to the CPM for traditional media discussed in earlier modules. The cost per click measure gives the rate the advertisers pay, say to the

Facebook, every time a visitor clicks on the ad and jumps from that page to the advertiser’s website.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

Figure 36.1

- Finally, the CPA measure ties loosely to actual sales—for example, paying \$5 for every purchase that originates from an ad, say, on the Facebook site.
- By summing up the revenues from all these purchases, a difficult task, this CPA measure most closely ties the cost of the social media ad to the sales revenues the ad generates.

Performance Measure	Costs to Advertisers	Who Provides It	Who Uses It	Ad Assessment	
				Advantages	Disadvantages
Cost per thousand (CPM)	"I will pay \$2.50 for every 1,000 times this ad loads, up to \$100 per month."	Small websites that sell ads directly (may be using a third-party service)	Advertisers who simply want to build "awareness"	Simple to use	Impressions don't always lead to sales
Cost per click (CPC)	"I will pay \$1.00 for every visitor who clicks on this ad and goes from your website to mine."	Most websites use this method—executed by a third-party like Google AdWords	Advertisers who want to pay for success, but may not be able to track sales from advertisement to purchase	Only pay for a visitor who has expressed an interest in my ad	Ads may not display if they are a poor fit for the viewing audience
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Source: Roger, K., Steven, H. & William, R. (2013). *Marketing: The Core*. McGraw-Hill Irwin, Fifth Edition.



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Finally, the CPA measures ties loosely to the actual sales. For example, paying dollar 5 for every purchase that originates from an ad say on the Facebook site. By summing up the revenues from all these purchases a difficult task, this CPA measures most closely ties the cost of the social media ad to the sales revenues the ad generates.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

Performance Measures Linked to Outputs or Revenues

- Many of the measures for evaluating how a brand manager’s social network promotion is doing reflect the two-way communications present in social media.
- These measures often tie to output results in terms of “fans,” “friends,” “followers,” or “visitors” to a social network site, which can be a first step to estimating the sales revenue generated.



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Now, let us look at the performance measures linked to the output or revenues. Many of the measures for evaluating how a brand manager's social network promotion is doing reflects the two-way communication present in social media. These measures often tie to the output result in terms of "fans", "friends", and "followers" or "visitors" to a social network site, which can be the first step to estimating the sales revenue generated.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- From a brand manager's viewpoint, there are some of the frequently used *Facebook measures* (mentioned in the upcoming slides), moving from the more general to the more specific.

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From the brand manager's view point, there are some of the frequently used Facebook measures which are mentioned in the upcoming slides, moving from the more general to the more specific. Now, these are these are some of those measures that result from social media program and these are output based.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- 1** *Fans.* The number of people who have opted in to a brand's messages through a social media platform at a given time.
- 2** *Share of voice.* The brand's share or percentage of all the online social media chatter related to, say, its product category or a topic.
- 3** *Page views.* The number of times a Facebook Page is loaded in a given time.
- 4** *Visitors.* The total number of visitors to a Facebook Page in a given time period; if someone visits three times in one day, she is counted three times.
- 5** *Unique visitors.* The total number of unique visitors to a Facebook Page in a given time period; if someone visits three times in one day, he is counted only once.

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So, the first is the fans. The number of people, who have opted into a brands message through a social media platform at a given time. The second of this measure is the share of voice. The brands share or percentage of all the online social media chatter related to say its product category or a topic. The third is page views. The number of times a Facebook page is loaded in a given time.

The fourth is visitors the total number of visitors to a Facebook page in a given time period, if someone visits three times in 1 day, she is counted 3 times. And then, there are some unique visitors. The total number of unique visitors to a Facebook page in a given time period; if someone visits 3 time in 1 day, he is counted only once.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- 6 Average Page views per visitor. Page views divided by visitors in a given time period.
- 7 Interaction rate. The number of people who interact with a Post ("like," make a comment, and so on) divided by the total number of people seeing the Post.
- 8 Click-through rate (CTR). Percentage of recipients who have clicked on a link on the Page to visit a specific site.
- 9 Fan source. Where a social network following comes from—with fans coming from a friend being more valuable than those coming from an ad.

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Then, the sixth one is average page views per visitor. Page views divided by visitors in a given time period. The seventh is interaction rate. The number of people who interact with the post. For example, like make a comment and so on divided by the total number of people seeing the post. Eighth is Click Through Rate that is CTR. Percentage of recipient, who have clicked on the link on the page to visit a specific site. And the ninth is fan source, where a social network following comes from with fans coming from a friend being more valuable than those coming from an ad.

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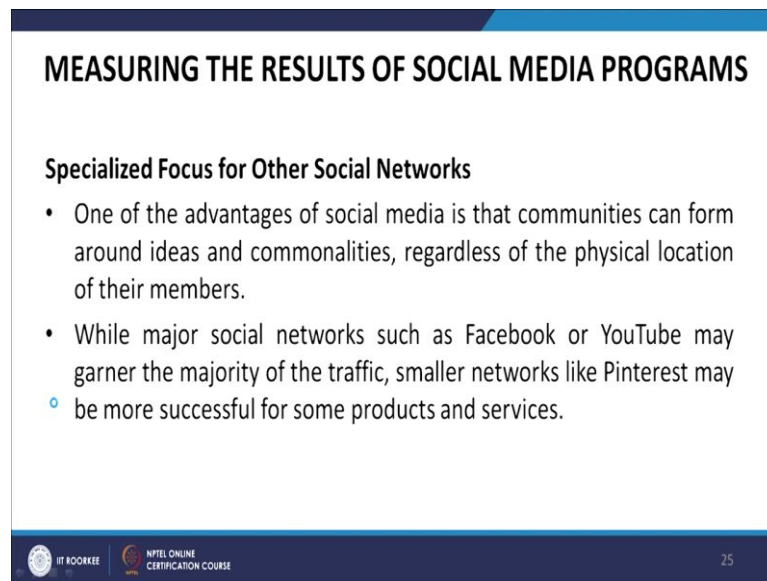
MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- Note that while sales revenues resulting from social media do not appear in these measures, as we move down the list above, the measures are often more specific than comparable ones used in traditional media.
- This is because it is far simpler to electronically track the social network users who click on a website or ad than it is to track
 - consumers who receive traditional media.

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Note that, while sales revenues resulting from social media do not appear in these measures, as we move down the list above, the measures are often more specific than comparable ones used in the traditional media. This is because it is simpler to electronically track the social network users, who click on a website or ad than it is to track consumers who receive traditional media.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

Specialized Focus for Other Social Networks


- One of the advantages of social media is that communities can form around ideas and commonalities, regardless of the physical location of their members.
- While major social networks such as Facebook or YouTube may garner the majority of the traffic, smaller networks like Pinterest may
 - be more successful for some products and services.

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Let us have a specialized focus for other social networks. One of the advantages of social media is that communities can form around ideas and commonalities, regardless of the physical location of their members. So, members across the world, they can share the ideas and they can form a community. While major social networks such as Facebook or YouTube may garner the majority of the traffic is small networks like Pinterest may be more successful for some products and services.

So, now, you see that these are the four social networks that is Facebook and YouTube etcetera, they are more popular. So, that for every product and service services, these are the appropriate media. So, there are other medias like Pinterest which may be a of more use, more benefit for some different kind of products and services.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- **Pinterest**, a virtual pinboard and content-sharing social network, allows people to “pin” or share images of their favorite things such as clothing, craft ideas, home décor, and recipes.
- Pinterest members create customized, themed “pinboards” to categorize their images such as “Odds & Ends,” “Food,” and “Knitting” shown on the Pinterest screen on the opposite page.
- These images are shared with other members of the Pinterest community.
- Members can also share their pinned images on Facebook and Twitter.

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Now, you would see that this Pinterest is a virtual pinboard and content sharing social network that allows people to “pin” or share images of their favorite’s things such as clothing, craft ideas, home décor, and recipes.

Pinterest members create customized, themed “pinboards” to categorize their images such as “Odds and Ends,” “Food,” and “Knitting” shown on the Pinterest screen on the opposite page. These images are shared with other members of the Pinterest community. Members can also share their pinned images on Facebook and Twitter. Many of these items that members pin includes products that are available for purchase online.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- Many of the items that members pin include products that are available for purchase online.
- As Pinterest recently surpassed LinkedIn to become the third largest social network, it has become a major sales driver for retailers and manufacturers.
- In using Pinterest, brand managers can post images of their
 - company's products on their Pinterest board and link them back to their websites.

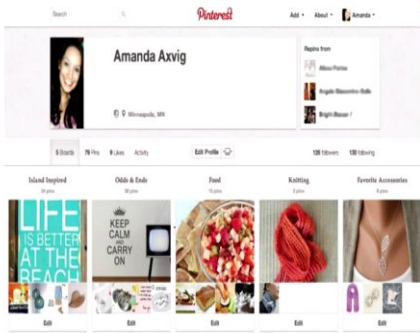
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As Pinterest recently surpassed LinkedIn to become the third largest social network, it has become a major sales driver for retailers and manufactures. In using Pinterest, brand managers can post images of their company's products on their Pinterest boards and link them back to their website.

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MEASURING THE RESULTS OF SOCIAL MEDIA PROGRAMS

- This can be done effectively by ensuring that all website links are associated with unique images and adding share features like the “pin it” button to the brand's online content.



The screenshot shows a Pinterest profile for Amanda Axvig. The profile includes a search bar, the name 'Amanda Axvig', and a location 'Middletown, WI'. Below the profile information are several boards: 'Island Inspired', 'Old & Bold', 'Food', 'Knitting', and 'Travel Accessories'. Each board contains several pins, including a quote 'LIFE IS BETTER AT THE BEACH', a 'KEEP CALM AND CARRY ON' sign, a bowl of food, a red knitted scarf, and a piece of jewelry. A red line is drawn on the right side of the slide, pointing to the 'pin it' button on the pins.

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So, you can go there look at this product and then, purchase it. This can be done effectively by ensuring that all website links are associated with unique images and added share features like the “pin it” button on the brands online content. So, now this is

a typical online Pinterest page and these are (Refer Time: 15:50), so there are 24 pins; Odd and Ends have 30 pins, Food have 15 pins, Knitting has 2 pins and these favorite accessories have 8 pins and these are the various things that are given below. Now, people can click and this these can be edited and people can click on them and go to the to the website to buy them.

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GREENPEACE VS. NESTLÉ'S KIT KAT: A NIGHTMARISH MELTDOWN

- While an intense level of social media communications on Facebook or Twitter can be a brand manager's dream, it can also be his worst nightmare.
- The Greenpeace campaign against Nestlé and its Kit Kat candy bar brand is an example.

The Background

- Currently, palm oil is an ingredient in several of Nestlé's products, including the Kit Kat chocolate bar.

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Now, let us look at this example Greenpeace versus Nestle's Kit Kat a Nightmarish Meltdown. While an intense level of social media communication on Facebook or Twitter can be a brand manager's dream, it can also be his worst nightmare. The Greenpeace campaign against Nestle and its Kit Kat candy brand bar brand is an example.

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GREENPEACE VS. NESTLÉ'S KIT KAT: A NIGHTMARISH MELTDOWN

- In March 2010, Nestlé reported that 18 percent of its palm oil was “nonsustainable,” meaning its suppliers were cutting down rainforests in places like Indonesia without enough concern for the environmental harm or equivalent remediation.
- These Indonesian rainforests are home to orangutans.
- Nestlé announced that its goal was to be using “100 percent sustainable palm oil” by 2015.
- Nestlé’s plan seemed to demonstrate a sense of social responsibility and to support the goal of global sustainability.

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So, now we are looking at the problems with the social media in totality. So, the background is currently palm oil is an ingredient in several of Nestle’s products including the Kit Kat chocolate bar. In March 2010, Nestle reported that 18 percent of its palm oil was non sustainable, meaning its suppliers were cutting down rainforest in places like Indonesia, without enough concern for the environmental harm or equivalent remediation. These Indonesian rainforests are homes to orangutans.

Nestle announced that its goal was to be using 100 percent sustainable palm oil by 2015. Nestle’s plan seems to demonstrate a sense of social responsibility and to support the goal of global sustainability.

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GREENPEACE VS. NESTLÉ'S KIT KAT: A NIGHTMARISH MELTDOWN

Greenpeace's Actions and Results

- Greenpeace, a social and environmental advocacy organization, decided that Nestlé's effort to find sustainable palm oil suppliers was moving too slowly.
- So it launched an all-out "shock campaign" against Nestlé with the proclamation: "Caught Red-Handed: How Nestlé's Use of Palm Oil Is Having a Devastating Impact on Rainforests, the Climate, and Orangutans."
- Then Greenpeace posted a very graphic and provocative video on YouTube, including activists dressed as orangutans.

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Now, let us look at the Greenpeace actions and results. Greenpeace, a social and environmental advocacy organization, decided that Nestle's effort to find sustainable palm oil suppliers was moving too slowly. So, it launched an all-out "shock campaign" against Nestle with the proclamation: "Caught Red-Handed: How Nestle Use of Palm Oil Is Having a Devastating Impact on Rainforests, the Climate and the Orangutans." Then, Greenpeace posted a very graphic and provocative video on YouTube, including activists dressed as orangutans.

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GREENPEACE VS. NESTLÉ'S KIT KAT: A NIGHTMARISH MELTDOWN

- The Greenpeace campaign triggered customer complaints on the Kit Kat Facebook Page, some with a "Killer Kat" logo, a play on Nestlé's "Kit Kat" logo.
- Also, Nestlé management received 200,000 e-mails, and its 1-800 customer service numbers were jammed by protest calls.

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The Greenpeace campaign triggered customer complaints on the Kit Kat Facebook Page, some with a “Killer Kat” logo, a play on Nestlé’s “Kit Kat” logo. Also, Nestlé management received 200,000 e-mails, and its 1-800 customer service number were jammed by protest calls.

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GREENPEACE VS. NESTLÉ'S KIT KAT: A NIGHTMARISH MELTDOWN

Nestlé's Overreaction and Its Effects

- Nestlé's response unwittingly led to increased online attention and animosity.
- At Nestlé's request, YouTube removed the video that Nestlé believed infringed on its Kit Kat brand.
- The result: Views of the video on other sites like Flickr skyrocketed in the next 24 hours.
- Nestlé's Kit Kat Facebook users who were violently opposed to its deforestation actions swelled.

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Now, let us look at the Nestlé's overreaction and its effects. Nestlé's response unwittingly led to increased online attention and animosity. At Nestlé's request, YouTube removed the video that Nestlé believed infringed on its Kit Kat brand. The result: Views of the video on other sites like Flickr a skyrocketed in the next 24 hours. Nestlé's Kit Kat Facebook users who were violently opposed to its deforestation actions swelled.

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GREENPEACE VS. NESTLÉ'S KIT KAT: A NIGHTMARISH MELTDOWN

- One commentator noted that Greenpeace had “brand-jacked” the Nestlé Kit Kat Facebook Page.
- Within 60 days, Nestlé’s management capitulated.
- It took steps to drop palm oil suppliers linked to deforestation—in effect recognizing the power of social media.

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One commentator noted that Greenpeace had “brand-jacked” the Nestle’s Kit Kat Facebook page. Within 60 days, Nestle management capitulated. It took steps to drop palm oil suppliers linked to deforestation - in effect recognizing the power of social media.

(Refer Slide Time: 19:29)

GREENPEACE VS. NESTLÉ'S KIT KAT: A NIGHTMARISH MELTDOWN

Social Media Lessons for Brand Managers

- Rather than being aggressive, brand managers should respond to a crisis situation with transparency and an approachable tone.
- Also, a brand manager facing a crisis situation should communicate directly with “key influencers,” emphasizing the company’s concern about the issue, and communicate often, using Twitter, Facebook, blogs, YouTube, and other relevant social media.
- Above all, it is critical to have an emergency social media plan for the brand in place—before an actual crisis erupts.

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Now, let us look at the social media lessons for the brand managers. Rather than being aggressive, brand managers should respond to a crisis situation with transparency and an approachable tone. Also, brand manager facing a crisis situation should communicate

directly with “key influencers”, emphasizing the company’s concerns about the issue, and communicate often, using Twitter, Facebook, blogs and other relevant social media. Above all, it is critical to have an emergency social media plan for the brand in place - before an actual crisis erupts.

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THE FUTURE: SOCIAL MEDIA + SMARTPHONES + EXOTIC APPS

- Trends in marketing’s use of social media reflect what scientists call “mirror worlds” or “smart systems” that are really the convergence of the real and digital worlds.
- A smart system is a computer-based network that triggers actions by sensing changes in the real or digital world.
- Now we will discuss:
 - The convergence of real and digital worlds,
 - How this convergence links social media to marketing actions, and
 - Where all this may be headed in your future.

IT ROORKEE | NPTEL ONLINE CERTIFICATION COURSE 36

Now, let us look at the future the social media plus the smartphone plus the apps. Brands in marketing use of social media reflect what scientist call “mirror worlds” or a “smart systems” that are really the convergence of the real and digital worlds. A smart system is a computer-based networks that triggers actions by sensing changes in the real or digital world. Now, we will discuss the convergence of real and digital worlds, how this convergence links social media to marketing actions, and where all this may be headed in your future.

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THE FUTURE: SOCIAL MEDIA + SMARTPHONES + EXOTIC APPS

The convergence of real and digital worlds

- Saying that our physical and virtual worlds are converging sounds like science fiction.
- But placing your online order for jeans or providing your demographic characteristics and personal interests when joining Facebook involves converting real-world decisions or personal characteristics into a digital format that starts to approximate your own personal world.
- This convergence of real and digital worlds is the result of an unlimited proliferation of interlinked smartphones, tablet devices, sensors, special identification tags, databases, algorithms, apps etc.

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Now, let us look at the convergence of the real and digital worlds. Saying that our physical and virtual worlds are converging sounds like science fiction. But placing your online order for jeans or providing your demographic characteristics and personnel interest when joining Facebook involves converting real-world decision or personnel characteristics into a digital format that is starts to approximate your own personnel world.

This convergence of real and digital world is the result of an unlimited proliferation of interlinked smartphones, tablet devices, sensors, a special identification tags, databases, algorithms, apps etcetera. A smartphone and their apps are speeding up this convergence. Apps or mobile apps or applications are is small downloadable software programs that run on a smartphones and tablet devices.

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THE FUTURE: SOCIAL MEDIA + SMARTPHONES + EXOTIC APPS

The convergence of real and digital worlds

- Smartphones and their apps are speeding up this convergence.
- Apps (or mobile apps or applications) are small, downloadable software programs that run on smartphones and tablet devices.
- When Apple launched its iPhone in 2007, it didn't expect smartphone apps to be very important.
- But later its App Store was selling and offering over 650,000 apps.
- And Google's Android has over 500,000 apps available through the Google Content Play Store.

IT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 38

When Apple launched its iPhone in 2007, it did not expect a smartphone apps to be very important. But later its App Store was selling and offering over 650,000 apps. Now, Google's Android has over 500,000 apps available through the Google Content Play Store.

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THE FUTURE: SOCIAL MEDIA + SMARTPHONES + EXOTIC APPS

Mobile marketing: Tightening links to marketing actions

- This convergence of the real and digital worlds has resulted in increasing use of *mobile marketing*:
 - Any marketing activity conducted through several Internet networks to which consumers are continuously connected using a personal mobile device.

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Now, let us look at mobile marketing and how that tightens the link to marketing actions. This convergence of the real and digital worlds has resulted in increasing use of mobile marketing. Any marketing activity conducted through several internet networks to which

consumers are continuously connected using a personal mobile device. This continuous connection present in mobile marketing has led to three recent smartphone apps. The first type of apps are the price-comparison searches. They scan product bar codes and research 500,000 stores, synchronizing searches between your computer and a smartphone.

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THE FUTURE: SOCIAL MEDIA + SMARTPHONES + EXOTIC APPS

Mobile marketing: Tightening links to marketing actions

- This continuous connection present in mobile marketing has led to three recent smartphone apps:
 - *Price-comparison searches*: Scan product bar codes and research 500,000 stores, synchronizing searches between your computer and smartphone.
 - *Location-based promotions*: Use your GPS-enabled smartphone for location check-ins to receive discounts at various stores.
 - *Loyalty programs*: Win loyalty points for walking into stores like Spencer's or Reliance digital and receive discounts from them.
- The number of smartphone shopping searches and purchases has exploded in recent years, causing huge problems for conventional brick-and-mortar retailers.

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Another are location-based promotions, they use your GPS-enabled smartphone for location check-ins to receive discounts at various stores. Then, there are loyalty programs win loyalty points for walking into stores like a spencer's or reliance digital and receive discounts from them. The number of smartphones, a smartphone shopping searches and purchase has exploded in recent years, causing huge problems for conventional brick and mortar retailers.

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THE FUTURE: SOCIAL MEDIA + SMARTPHONES + EXOTIC APPS

Where to now?

- The clear point of difference in mobile marketing is:
 - its unique ability to empower users by connecting with them individually, and
 - continuously learning about their likes and personal characteristics and sharing this information with online friends and (often) marketers selling products.
- This shifting mind-set to a socially networked world will lead to connected users having more influence in the marketplace.

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Now, where are we now? The clear point of difference in mobile marketing is its unique ability to empower users by connecting with them individually and continuously learning about their likes and personnel characteristics and sharing this information with online friends and often marketers selling products. This shifting mind-set to a socially networked world will lead to connected users having more influence in the market place.

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THE FUTURE: SOCIAL MEDIA + SMARTPHONES + EXOTIC APPS

Where to now?

- In the future, it seems we will see:
 - 1- New, creative ways to personalize social media connections.
 - 2- An increasing number of purchases made with a fob (a small device with embedded software) or a smartphone linked to a credit card.
 - 3- An enhanced focus on socially networked “communities” like neighborhoods, loyal users of a brand, and alumni associations—groups with common interests.
 - 4- An increased emphasis on measuring the marketing return on investment for social media initiatives.

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In the future, it seems we will see new, creative ways to personalize social media connections. An increasing number of purchases made with a fob a small device with

embedded software or a smartphone linked to a credit card. Then, we will look at enhanced focus on social networked “communities” like neighborhoods, loyal users of a brand, and alumni associations - groups with common interest. and an increased emphasis on measuring the marketing return on investment for social media initiatives.

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THE FUTURE: SOCIAL MEDIA + SMARTPHONES + EXOTIC APPS

The global marketing reach of social media

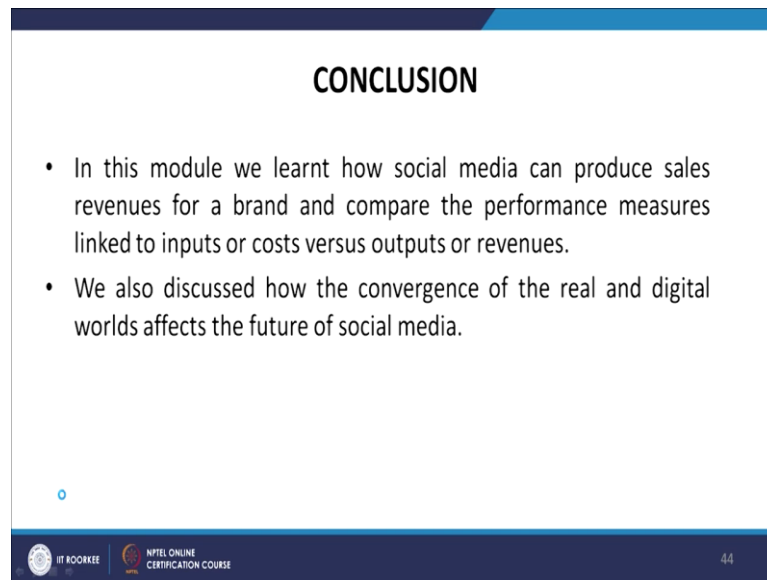
- Computers, television, the Internet, smartphones, tablet devices, and social media have changed forever the way businesses around the world market products and services.
- A T-Mobile (German telecommunications company) promotion illustrates the impact of social media on global marketing strategies.
- T-Mobile and its global satellite-TV service were trying to reach consumers in the Czech Republic.
- So they decided to feature Chuck Norris, the U.S. action-movie hero in 1980s films like *The Delta Force* and the 1990s TV show *Walker, Texas Ranger*. These were huge hits among Czechs, from children to adults.

IT ROORKEE NIEL ONLINE CERTIFICATION COURSE 43

Now, let us look at the global marketing reach of social media. Computers, televisions and internets, a smartphone, tablet devices, and social media have changed forever the way businesses around the world market products and services. A T-Mobile that is German tele telecommunication company promotion illustrates the impact of social media on global marketing strategies. T-Mobile and its global satellite - TV service was trying to reach consumers in the Czech Republic.

So, they decided to feature Chuck Norris, the US action-movie hero in 1980s films like *The Delta Force* and the 1990s TV show *Walker, Texas Ranger*. These were huge hits among Czechs, from children to adult. Now, to conclude in this module, we have learned how social media can produce sales revenues for a brand and compare the performance measures linked to imputes or cost versus outputs or revenues.



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CONCLUSION

- In this module we learnt how social media can produce sales revenues for a brand and compare the performance measures linked to inputs or costs versus outputs or revenues.
- We also discussed how the convergence of the real and digital worlds affects the future of social media.

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We have also discussed how the convergence of the real and digital world, effect the future of social media.

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And these are the three books, from which the material was used.

Thank you.