Is Social Media the Magic Bullet for Small Business Marketing?

I struck a hot topic in last week’s column because I got many comments that urged me to give something specifics about how a local small business could/should actually use social media. So here it goes.

Many small businesses are set to increase the time and effort they spend on social media marketing, but research on its effectiveness has been mixed. For example, in a survey from Citibank, the majority of small-business executives found social networks no good for expanding their business.

But according to the “Small Business Marketing Forecast 2010” from Ad-ology, lead generation is the biggest benefit of social networking for US small businesses, cited by one-half of respondents. Social networks were also considered a good way to keep up with the industry and monitor online chatter about the business.

A September 2009 MarketingProfs survey of business-to-consumer marketers found that the marketing practices most often used on social sites are not necessarily the best ones.

The most common marketing practice used on Facebook was attempting to drive traffic to corporate materials through status updates, followed by friending customers.

But the most effective tactic for consumer-oriented companies using Facebook was creating an application, which was done by less than one-quarter of total respondents. Fan surveys were the third-most-common tactic attempted.

Twitter users had the most success with monitoring entries from users for PR problems (done by one-half of all respondents) and contacting users who posted negative comments about their brand (done by only 22.4% of total respondents). Many also reported good success with creating Twitter invitations to “in person” events.

In a recent article by Aliza Sherman, columnist for Web Worker Daily, she described the use of social media marketing as a “red headed step child”. There is a lot of resistance to getting to use this tool as an effective integral part of a business marketing strategy. However, it has a lot of potential for the small business. It will not replace traditional marketing. It is not the magic marketing bullet, but it can be an effective enhancement of marketing efforts. A small business should be cautious of the “hype” about social media and focus on where it has proven to be a successful addition to the marketing plan.

To learn more about accessing help for your small business, contact SCORE "Counselors to America's
Small Business." These volunteer counselors provide free, confidential business counseling as well as training workshops to small business owners.

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For social media blogs: www.webworkerdaily.com
For an article on “Why Should I engage in Social Media”: September 28th, 2009 by Aliza Sherman in the archives of www.webworkerdaily.com
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