Will Social Media Play A Legitimate Role in Marketing For Small Businesses?

Many small business CEOs ask about the likelihood that social media will play a major part of the marketing efforts for companies. Some are even hoping that it is “just a flash in the pan” because it takes time and certain skills to make it happen in an effective way.

The data that I read and the folks that I listen to tell me that eight in 10 retail execs have or plan to integrate Facebook data into their customer relationship management. Social engagement with retail brands, particularly on Facebook, is high. According to recent research, retailers are looking to leverage such interactions to gather information and improve the customer experience.

Among retail executives in North America polled by Boston Retail Partners in April last year, 31% had integrated their customer relationship management (CRM) system with Facebook, and an additional 49% intended to do so within two years. Nearly seven in 10 respondents had integrated Twitter into their CRM or planned to do so within two years, and similar percentages said the same about Pinterest and Instagram.

Colloquy also highlighted these findings in a recent study. Among US retailers polled, 59% said they used social media data to improve the relevance of their marketing communications.

The integration of social media and CRM could also help marketers leverage information to deal with angry customers who have had enough. Among Boston Retail Partners respondents, nearly three-quarters utilized social media to some extent when attempting to rebuild damaged customer relationships. Tailoring such efforts could reinstate a customer’s once-positive view of a retailer and bring back that lost business.

2015 data from MarketLive suggested that retailers that can leverage social data to better interact with customers on such platforms stand to see the traffic—and dollars—roll in. According to the analysis, the share of US retail ecommerce traffic driven by social jumped nearly 200% between Q1 2014 and Q1 2015. At the same time, social platforms increased their proportion of ecommerce revenues by 72.0%.
So, from where I sit, social media is and will continue to play a major role in the marketing and customer relationship management for small businesses. My advice to CEOs is “look what is happening” and learn to use this tool for your company.

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