



SOCIAL MEDIA MARKETING INDUSTRY REPORT

*How Marketers Are Using
Social Media to Grow
Their Businesses*

MARCH 2009

BY MICHAEL A. STELZNER

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Letter from the author...



Hello fellow marketer;

Social media marketing is an engagement with online communities to generate exposure, opportunity and sales. It seems that many marketers see the social media frontier as the next marketing gold rush. Given the low cost of entry, many marketing pros are doing more than just dipping their creative toes into this gold-laden water.

If you're in charge of marketing your business, you'll want to closely examine what's on the following pages. My team turned over every rock, looking for the "not so obvious" findings among this content-rich data.

We set out to uncover the "who, what, where, when and why " of social media marketing with this report. Nearly 900 of your peers provided the kind of insight that previously has not existed.

If you're pondering starting social media marketing, it's my hope that these findings will help push you over the edge. If you're already onboard, feel free to examine what the really experienced marketers are doing (and use this study to persuade others).

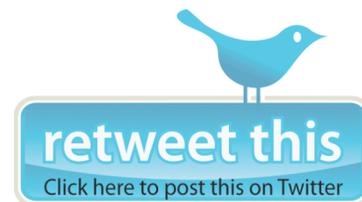
I hope you enjoy the report! Remember, **the nature of social media is to "share," so if you find value here, please let your peers know about this report.** You can find the original page for the report here:

<http://www.whitepapersource.com/socialmediamarketing/>

All my best!

A handwritten signature in black ink, appearing to read "Michael". The signature is fluid and cursive.

Michael A. Stelzner
Fellow social media marketing traveler



Follow me on Twitter at http://twitter.com/mike_stelzner

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Executive summary

This study set out to understand how marketers are using social media to grow and promote their businesses. On the following pages you will discover:

- **The top 10 social media questions marketers want answered:** We analyzed nearly 700 open-ended responses and summarized all the major questions that marketing pros want answered.
- **The time commitment:** We examined the weekly hours marketers invest in their social media efforts. This analysis will be helpful for marketers just getting started.
- **The benefits of social media marketing:** This rather beefy section reveals all the major advantages marketers are achieving with their social media efforts. We also looked at how time invested and experience enhances the achieved benefits.
- **Commonly used social media tools:** Wondering which social media tools marketers are using the most? Those questions are answered, along with an examination of what the most experienced folks are using.
- **Social media tools people want to learn more about:** In this section, we examine the up-and-coming tools that marketers are most interested in learning about.
- **Other analysis:** We also analyzed how age, gender, experience, business type and weekly time commitments impact all of the above findings.

How to use this report: Regardless of your experience with social media marketing, there's something here for you. If you're a beginner, take a look at the time commitment, benefits and tools that your peers are using.

If you've been at this for a while, compare yourself against other marketers, see what tools they're looking at next and see whether you're achieving the same benefits as your more experienced brethren.

If you're a social media guru, there's a heck of a lot of fodder here to help you develop a ton of "How to" products. You'll want to pay close attention to the top 10 questions section.

Major findings

Here's the cheat sheet for those of you who hate looking at charts:

- **Top three questions marketers want answered:** (1) What are the best tactics to use, (2) how to do I measure the effectiveness of social media and (3) where do I start?
- **Marketers are mostly new to social media:** A significant 88% of marketers surveyed are using social media to market their businesses, BUT 72% have only been doing so for a few months or less.
- **How much time does this take?** A significant 64% of marketers are using social media for 5 hours or more each week and 39% for 10 or more hours weekly.
- **The top benefit of social media marketing:** The number-one advantage is generating exposure for the business, indicated 81% of all marketers, followed by increasing traffic and building new business partnerships.
- **The top social media tools:** Twitter, blogs, LinkedIn and Facebook were the top four social media tools used by marketers, in that order.
- **Social media tools marketers most want to learn about:** Social bookmarking sites were ranked of highest interest, followed closely by Twitter.

The above findings are merely a taste of what is in this report. On the following pages you will find more than 30 charts that visually convey some of the fascinating findings of this report. For example, we look at which tools are used by those who invest the most time in social media marketing and the benefits achieved by those who've been at this for years.

Happy skimming!



Top 10 social media questions marketers want answered

We simply asked, "What question about marketing with social media do you most want answered?" A significant 685 people provided their open-ended responses. We clustered them into groups and ranked them below.¹ These are the top questions marketing professionals want answered regarding social media marketing:

#1: What are the best tactics to use?

The top question marketers want answered is related to best practices and tactics. A sampling of some of those questions include:

- Which social media method has been the most successful overall and how have you used that method?
- How do I stand out while creating strategic partnerships with those in the same field?
- How can social media help to build our brand and reinforce our credibility among consumers?
- Can using blogs, short videos, tweets and status updates help us market our core products, or do they just get in the way of our message?
- Is it true that social media marketing is better suited for branding than direct response?

#2: How do I measure the effectiveness of social media?

The next biggest question on people's minds can be summarized as, "How can I know if campaigns are working and what will the return be?" A sampling of questions in this category include:

- How do you measure success?
- What is the return on investment? Silly thing, but management needs it.
- What metrics are translatable in real terms that we can use as proof points or milestones?
- How do I assess return on investment and measure the impact on brand valuation?

¹ Please note that this question was designed to reveal the single most pressing concern people want answered. Because only a single answer was allowed, all of these marketing questions are critical and may represent issues that different businesses face as they progress down the path to implementing social media marketing programs. In each case, between 21 and 98 different people asked one of these top ten questions.

#3: Where do I start?

A large percentage of marketers want to know where to begin with social media marketing. Some common questions include:

- Is there a system or a plan that can be reproduced? Such as, "start here, go here, then here and then here..."
- I want to better incorporate social media into my marketing efforts, but there are so many options that I don't know where to begin. Where are the best places to start?
- How do newbies like me get started?

#4: How do I manage the social balance?

Understanding the balance between behaving properly and marketing is a common question people want answered. Here are a few related questions:

- How do I respect the medium and maintain proper etiquette for each social media outlet?
- How carefully should we proceed with social media, so what's meant to be "social" doesn't turn out to be "business" only?
- Are there online protocols for beginners so we don't break the "unspoken rules" that experienced marketers know about already?

#5: What are the best sites and tools out there?

Given the endless array of social media options, it's no surprise that marketers want to fast-track their experience by focusing on the sites and tools that will bring the greatest return. Here are a few sample questions from this cluster group:

- Which social media sites should I concentrate my efforts on?
- What are the top three most effective and easiest to implement social media tools?
- What social media platforms are customers going to be looking at in three months and three years from now?
- Which elements are persistent and long-term versus those that are fads?
- What sites are best to use for my market?

#6: How do I make the most of my available time?

Many who have already begun marketing with social media recognize the enormous amount of time that can be directed to such efforts. Managing the time sink is a common question. Here are a few samples from this category:

- How do I keep up without getting consumed?
- How can I aggregate and automate social media marketing so that it's less time-consuming?
- How do people cope with thousands of followers?

#7: How do I find and focus my efforts on my target audience?

Because of the broad nature of many social media sites, it's no surprise that marketers want to know how to narrow their efforts to an audience that matches their desired demographics. Here are a few questions from this grouping:

- How do I reach my "target" customers/business partners and drive traffic to my site or blog?
- What are the practical ways to use social media for more of a niche market?
- How can I target social media marketing tools to my target market?
- How can I best find people who are interested in the same things I am?

#8: How do I convert my social media marketing efforts into tangible results?

Moving from effort to actual income is a question many marketers want answered. What follows are a few questions from this category:

- How do I convert lookers to prospects?
- How do we create cash flow?
- How do I move from Twitter, LinkedIn and Facebook activities to a sale?
- What generates sales and what generates business?
- How do I monetize social media marketing?

#9: How do I cohesively tie different social media efforts together?

Can social media and traditional media work together? Is there a way to manage all the social media campaigns in one central location? These are the types of questions marketers are seeking answers to in this category. Here's a few more:

- How do I tie all the pieces together into one cohesive strategy?
- Are there any apps that will let me use several social media tools at once for my marketing campaigns?

- How can we aggregate various social media channels into a single view so we reduce the amount of time required to visit numerous sites and see a holistic view of the social spheres we're part of?
- How do we integrate social media into our traditional media?

#10: Does social media marketing work, and if so, how effective is it?

Surprisingly, this is question number 10. Marketers want to know if social media marketing really works. Here are some related questions in this category:

- Where are the documented real success stories?
- Does it really work, or is it just a great idea that doesn't return real value?
- Does anybody know how it really works?
- Where's the money?

5 Bonus Questions: Here are a few more questions that did not make our top 10 list. Each of these questions was asked by between 12 and 19 different people.

- How do I get others to see the value and get involved?
- What does the future look like?
- How do I manage the complexity?
- How do I attract traffic to my efforts?
- Is it cost-effective?

SUMMARY: One in three marketers indicated identifying the best practices, measuring results and knowing where to begin as their top questions when marketing with social media. As you can see by examining the above list, marketers have asked some excellent questions. The remainder of this report will attempt to answer some of those questions, including the most commonly used social media tools, those that are on the growth path, the time commitment, and how social media marketing benefits businesses that have been doing this for a while.

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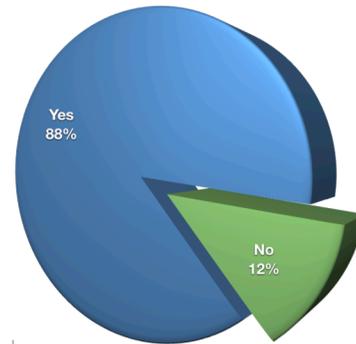
www.socialmediasummit09.com

The use of social media marketing

We asked two questions to determine the survey participants' experience using social media to market their businesses.

Use of social media marketing

We began by simply asking participants if they use social media to market their businesses. The overwhelming majority (88%) indicated they were employing social media for marketing purposes.

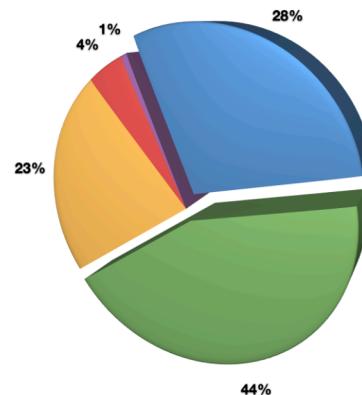


Business owners were more likely to use social media marketing (90+%) than employees working for a business (81%).

People aged 30 to 39 years were most likely to use social media marketing (92.8%).

Experience with social media marketing

When asked to rate their experience using social media marketing for their businesses, a significant 72% of marketers have either just started or have been using social media for only a few months.

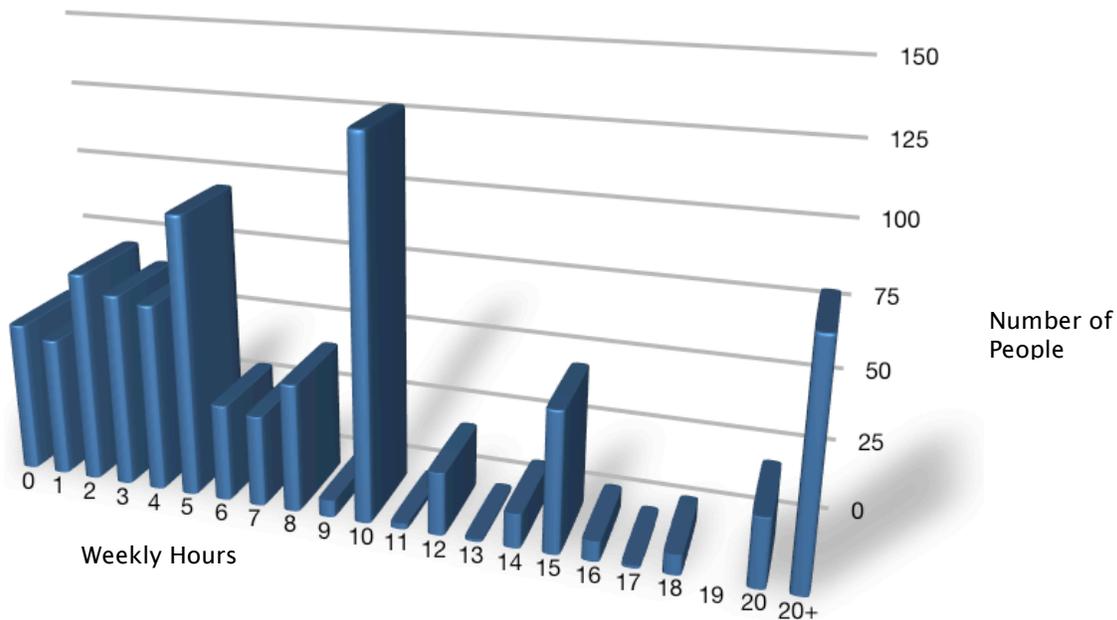


The largest group just getting underway with social media marketing was sole proprietors (30.2% reported just getting started) and owners of 2- to 100-employee businesses were the most experienced (29.3% reporting doing social media marketing for years).

- Just getting started
- Been doing this for a few months
- Been doing this for a few years
- No experience, but plan to use social media
- No experience and do not plan to use social media

People aged 60 to 69 were significantly more likely to be just getting started with social media marketing than other age groups.

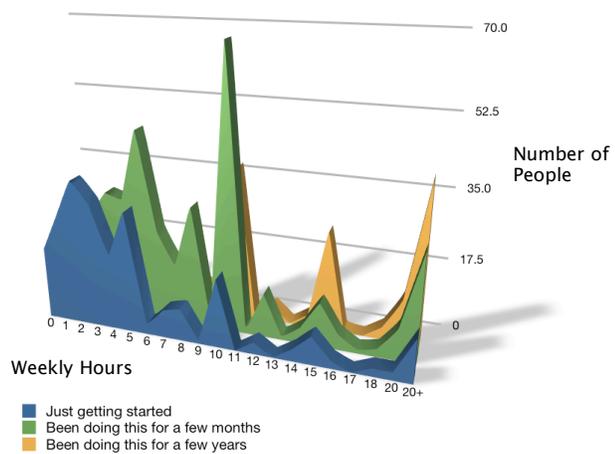
Time commitment for social media marketing



A significant 64% of marketers are using social media for 5 hours or more each week and 39% for 10 or more hours weekly. It is interesting to note that 9.6% spend more than 20 hours each week with social media.

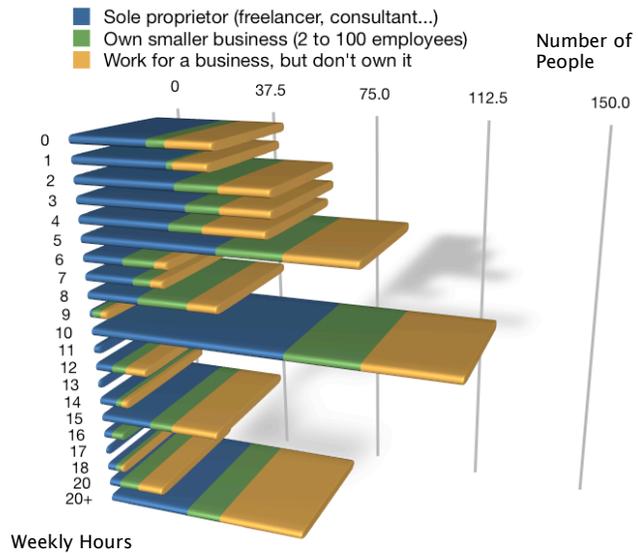
The experience factor

There is a direct relationship between how long marketers have been using social media and their weekly time commitment. For people just beginning with social media, the median weekly time commitment was two hours per week. However, for folks who have been doing this for a few months, the median jumped to 10 hours a week. And for people who have been doing this for years, their median is 20+ hours each week.



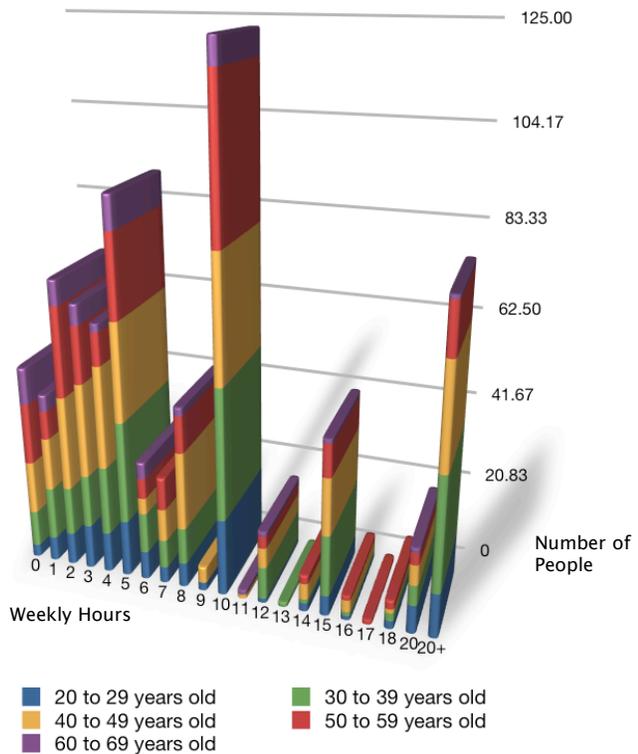
How business types vary the time commitment

Those working for a business are twice as likely as business owners to be committing 20+ hours a week to social media.



Age factor

People aged 30 to 39 are most likely to be using social media marketing (44.8% spending 10+ hours weekly), followed by 20- to 29-year-olds (40.3% spending 10+ hours weekly) and then 50- to 59-year-olds (38.7% spending 10+ hours weekly).



The benefits of social media marketing



The number-one benefit of social media marketing is gaining the all-important eyeball. A significant 81% of all marketers indicated that their social media efforts have generated exposure for their businesses. Improving traffic and growing lists was the second major benefit, followed by building new partnerships.

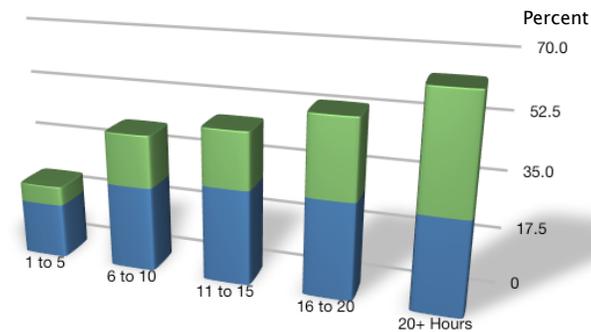
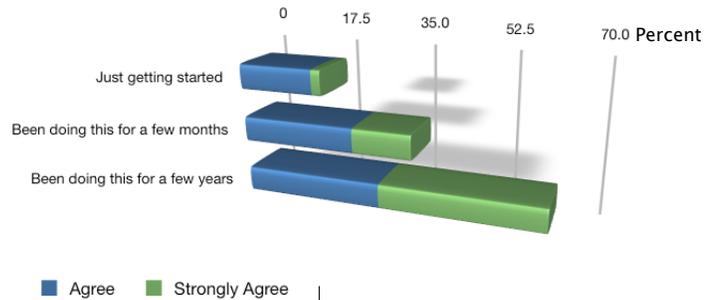
An unexpected benefit was a rise in search engine rankings reported by more than half of participants. As the search engine rankings improve, so will business exposure, lead generation efforts and a reduction in overall marketing expenses. About one in two marketers found social media generated qualified leads. However, only slightly more than one in three said social media marketing helped close business.

Some questions that naturally emerge from the above chart might include, "Is there a way to improve the likelihood of achieving these benefits by investing more time in social media?" and "Are those marketers who've been doing social media marketing for years gaining even better results?" The following charts address these questions.

Helped me close business

It takes time to develop relationships that lead to actual business. However, a large percent of marketers who take the time find great results.

For example, 61.62% of marketers who have been using social media for years report it has helped them close business. More than half who spend 16 or more hours per week find the same results.

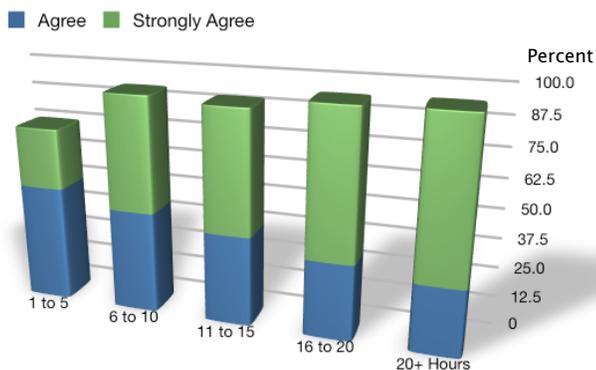
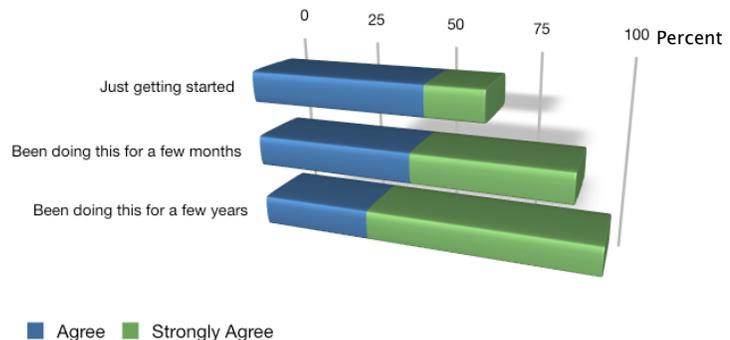


Generated exposure for my business

Owners of small businesses (2 to 100 employees) were more likely than others to report greater exposure (84.8% reporting benefits).

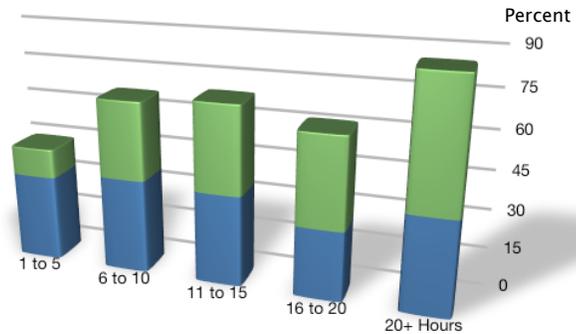
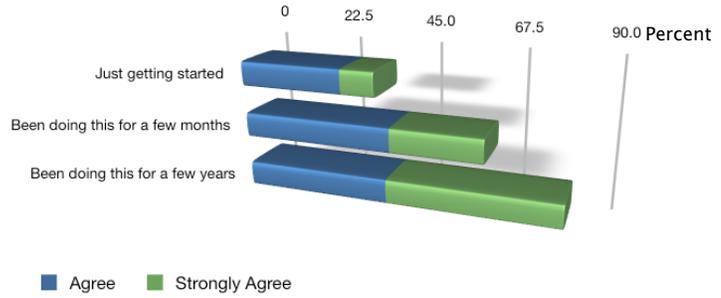
Nearly all marketers who've been doing social media marketing for years report it generates exposure for their business and a significant 64.86% strongly agree.

Nearly all marketers spending 6+ hours a week on social media marketing found exceptionally positive results.



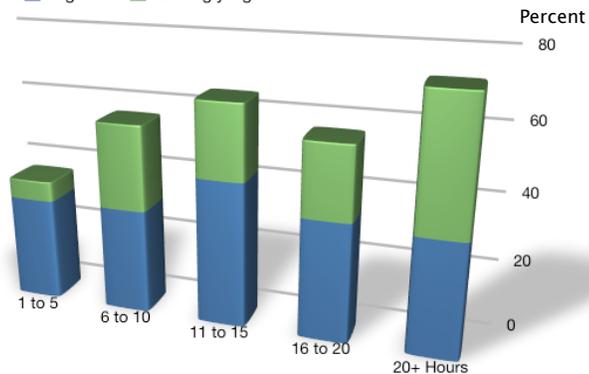
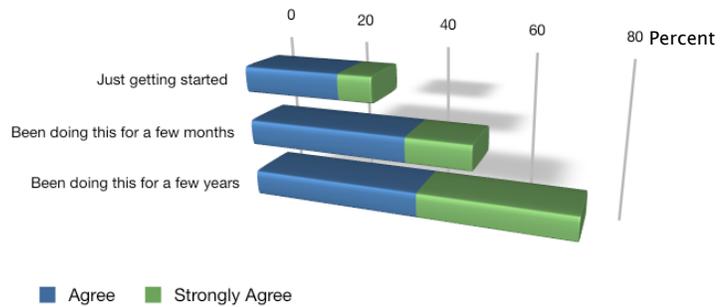
Resulted in new business partnerships

Those who invest the most time in social media marketing gain the most business partnerships. However, 61.83% of people who have only invested a few months in their social media marketing report new partnerships were gained.



Generated qualified leads

Many businesses are hoping that social media will be the Holy Grail for lead generation. Indeed after only a few months and with as few as 6 hours a week, more than half of marketers have generated qualified leads with social media marketing.

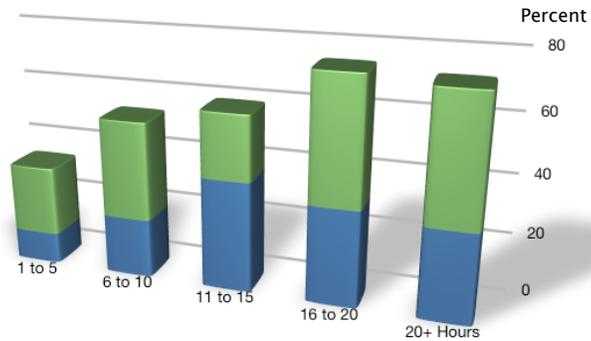
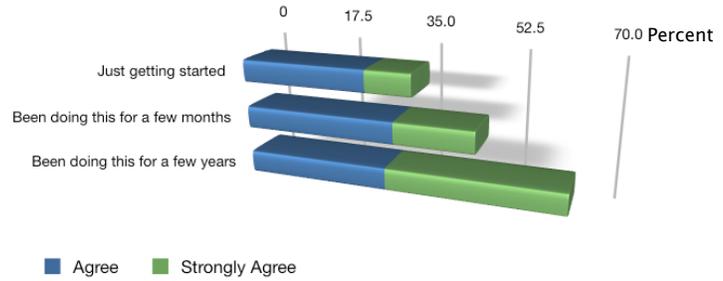


Sole proprietors were more likely than others to see benefits.

Reduced my overall marketing expenses

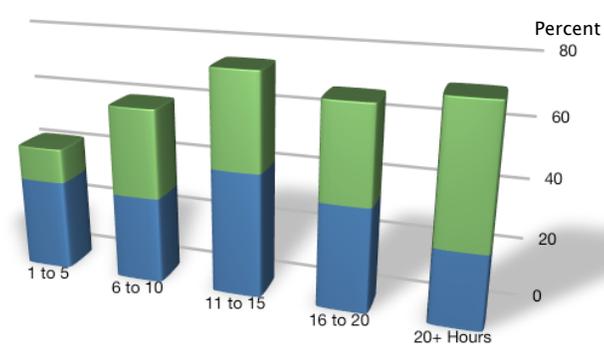
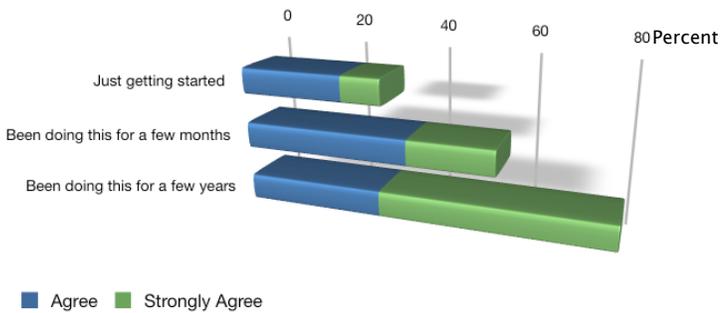
The only financial cost of social media marketing is the time it takes to gain success. However, a significant percent of participants strongly agreed that overall marketing costs dropped when social media marketing was implemented.

Sole proprietors were more likely than others to see reductions in marketing costs when using social media marketing.



Helped us rise in the search rankings

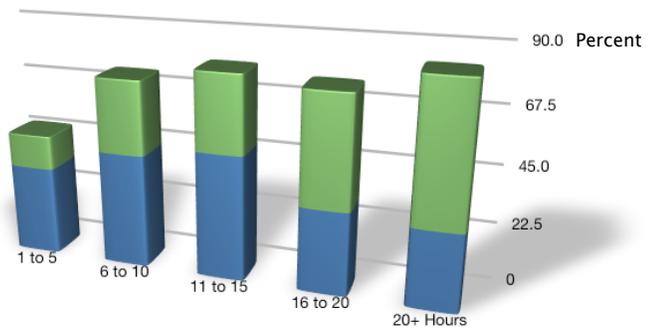
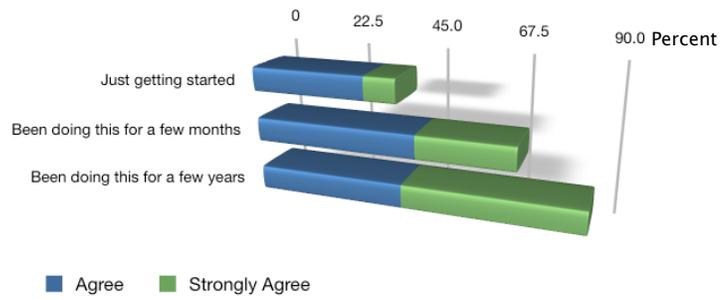
Improved search engine rankings were most prevalent among those who've been using social media for years, with nearly 80% reporting a rise (and most reporting a strong improvement).



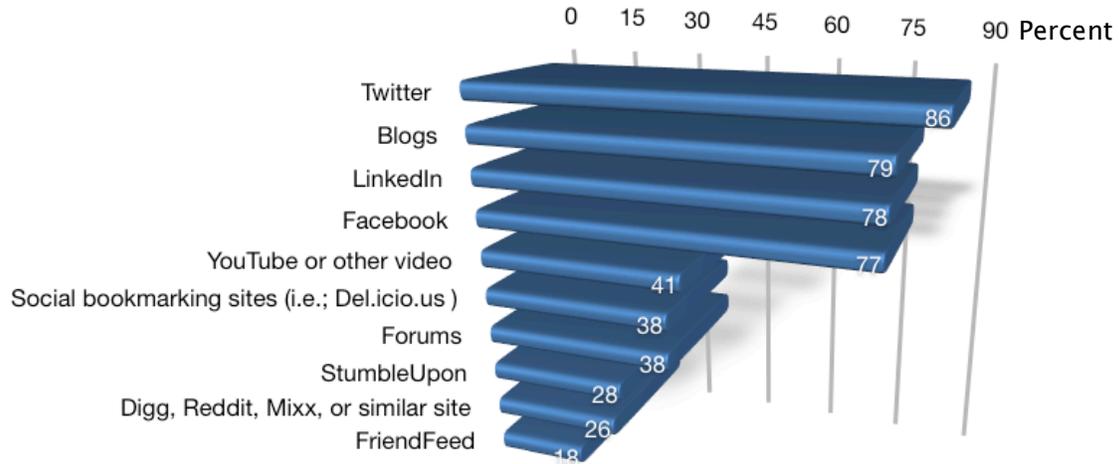
Increased my traffic/subscribers/opt-in list

At least 2 in 3 participants found that increased traffic occurred with as little as 6 hours a week invested in social media marketing. And those who have been doing this for years reported even better results.

Owners of small businesses (2 to 100 employees) were more likely than others to report benefits



Commonly used social media tools



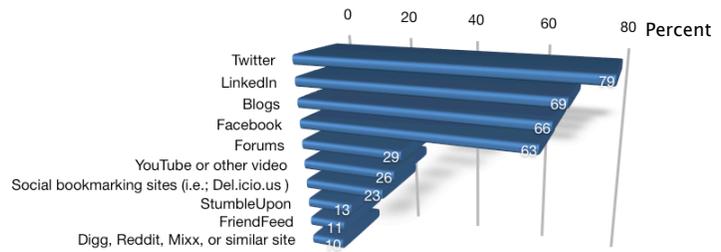
By a long shot, Twitter, blogs, LinkedIn and Facebook were the top four social media tools used by marketers, with Twitter leading the pack. All the other social media tools paled in comparison to these top four.

Owners of small businesses were more likely to use LinkedIn than employees working for a corporation. Another interesting finding was that men were significantly more likely to use YouTube or other video marketing than women (52.4% of all men compared to only 31.7% of women).

A close examination of which tools experienced social media marketers are using compared to those just getting underway provides further insight.

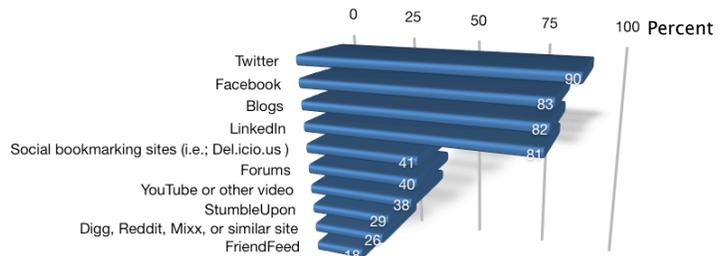
Just getting started

For those just getting underway with social media marketing, LinkedIn is ranked as their number-two choice, pushing blogging down one notch.



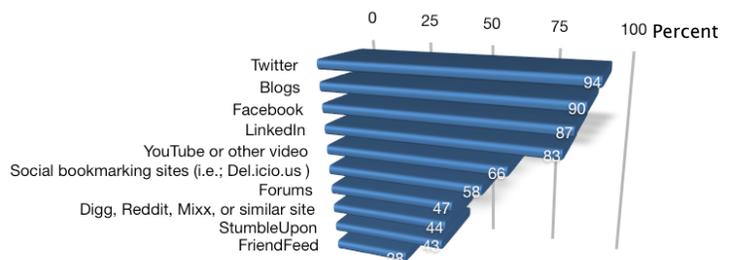
Been doing this for a few months

Facebook jumps up to second place for marketers who have been using social media for a few months. Additionally, even more of these folks use Twitter.



Been doing this for years

Twitter is used by 94% of marketers who have been using social media for years, followed closely by blogs.

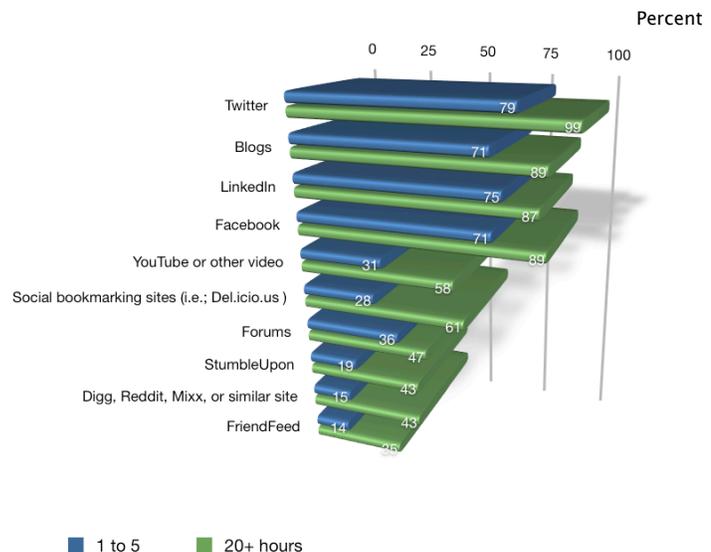


This group is also a major proponent of video, significantly more so than others.

Small vs. great time commitment

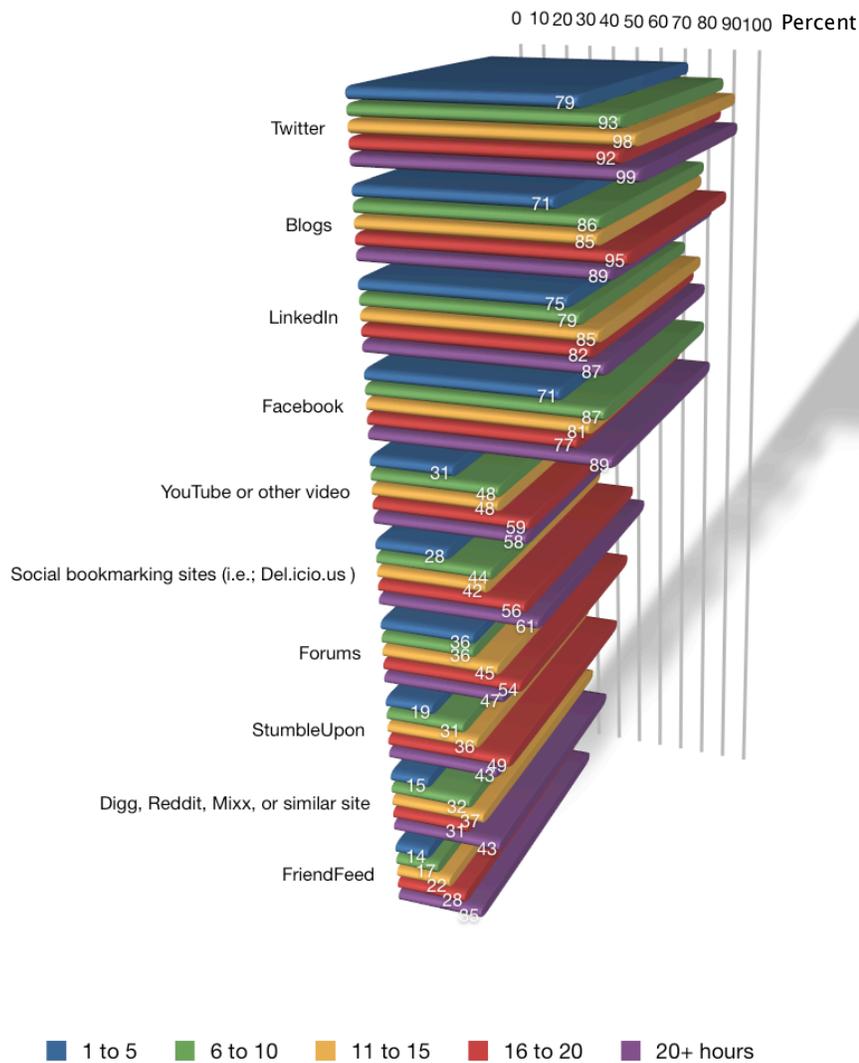
This chart shows where those putting in the least time are investing versus those putting in the most time.

Note that a significant 61% of those investing more than 20 hours per week are using social bookmarking sites.

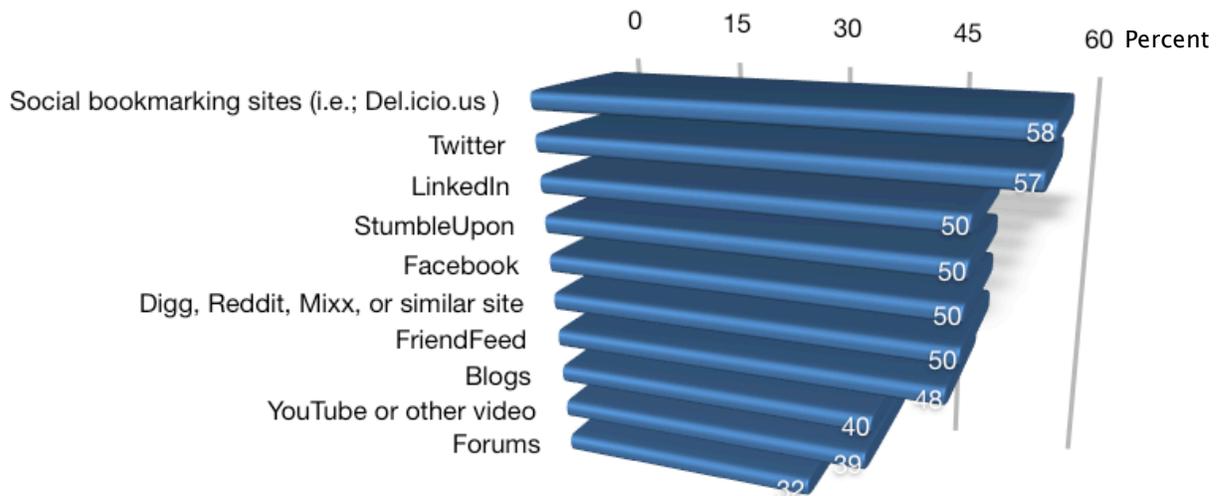


What tools do marketers use based on their weekly hourly investment in social media

This chart breaks down social media marketers by the hours they spend using social media and provides a quick comparison of what percent use what social media tools. For example, among those spending 20+ hours with social media, 99 percent use Twitter and 89 percent use blogs.



Social media tools people want to learn more about



We asked marketers which social media tools they most want to learn more about. **Social bookmarking sites slightly edged out Twitter for the number-one slot.** A four-way tie for third place occurred between LinkedIn, StumbleUpon, Facebook and Digg/Reddit/Mixx.

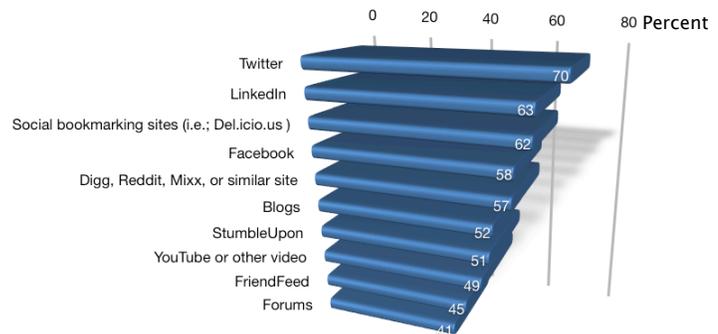
Small businesses owners were much more interested in understanding social bookmarking sites than other groups. In addition, those over the age of 40 were much more interested in learning about Twitter than their younger marketing cohorts.

Those investing 16 or more hours per week were most interested in learning about FriendFeed and those investing less than 6 hours a week were most interested in learning about Twitter.

Clearly a lot of people want to learn how to use the many social media tools available. What follows are tools marketers are interested in based on how they've been doing social media marketing.

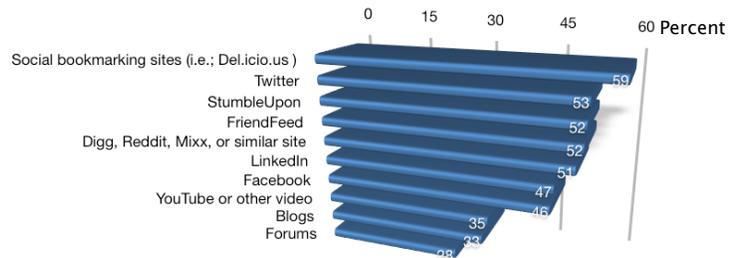
Just getting started

For those just getting underway, understanding Twitter tops the list.



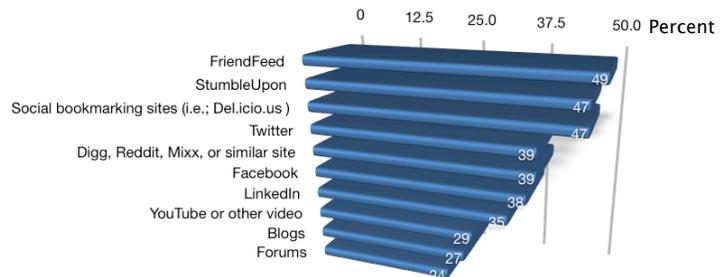
Been doing this for a few months

Understanding Twitter remains important for marketers who've been doing social media marketing for a few months. However, social bookmarking sites top the interest list for these professionals.



Been doing this for years

The pros are most interested in understanding FriendFeed, StumbleUpon and social bookmarking sites.



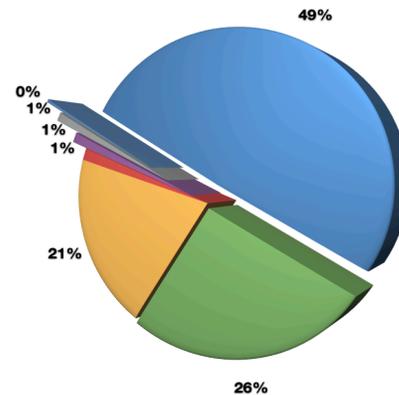
Survey participant demographics

We largely leveraged social media to find participants for our survey. We started with a post on Twitter on January 9, 2009. It simply said, "Take the 2009 Social Media Marketing Industry Survey. Participants get free copy" and included a link to the survey. The message was reposted hundreds of times by other marketers. In addition, many people posted links to the survey on Facebook and on their blogs. Finally, a list of about 2500 marketers was emailed and asked to take the survey. After a total of ten days, we closed the survey with **880 participants**.

Here are the demographic breakdowns:

Survey participants

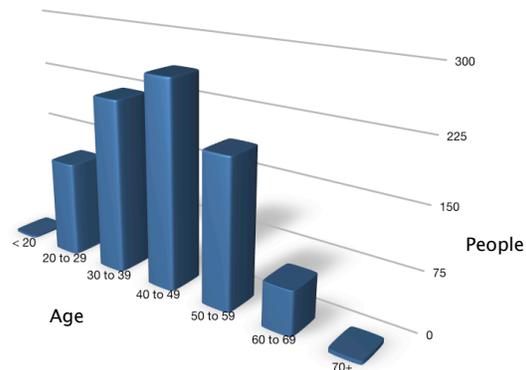
Most people who took the survey were small business owners (70%), followed by employees working at a company (26%). Among small business owners, seven of ten were sole proprietors, such as freelancers or consultants, representing nearly half of all survey participants.



- Sole proprietor (freelancer, consultant...)
- Work for a business, but don't own it
- Own smaller business (2 to 100 employees)
- None of the above
- Not currently employed
- Student
- Own larger business (100+ employees)

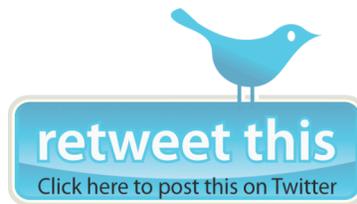
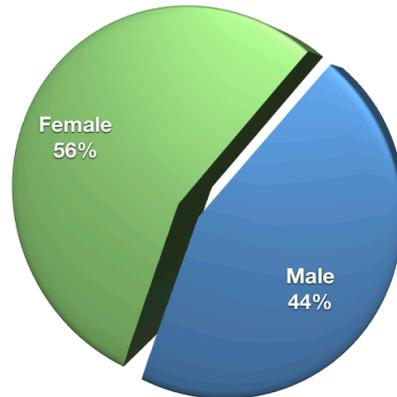
Age of participants

Most survey participants (78.1%) were between the ages of 30 and 59. The median age was 40 to 49.



Gender

Females edged out males, representing 56% of all participants.

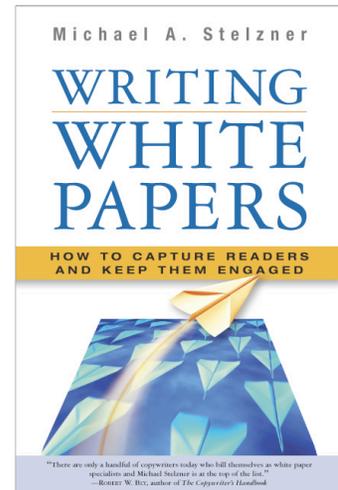


About Michael A. Stelzner

MarketingSherpa calls Michael the grandfather of white papers. He has written more than 130 for many of the world's most recognized companies, including Microsoft, Dow Jones, FedEx, Motorola, Monster, Hewlett-Packard and SAP.

Michael is also the author of the bestselling book, *Writing White Papers: How to Capture Readers and Keep Them Engaged*. His work is used as required reading at major universities such as MIT and Johns Hopkins.

He is also the executive editor of the 20,000-reader *WhitePaperSource Newsletter*, a monthly publication dedicated to helping writers and marketing professionals master the art of white papers. Michael also founded WhitePaperSource.com, the first and only portal dedicated to the topic of white papers.



Michael has written a number of **articles on social media**, including:

- [How to Use Twitter to Grow Your Business \(Copyblogger\)](#)
- [The Dark Side of Twitter: What Businesses Need to Know \(MarketingProfs\)](#)

Follow Michael on Twitter at http://twitter.com/mike_stelzner

Email: mike@whitepapersource.com