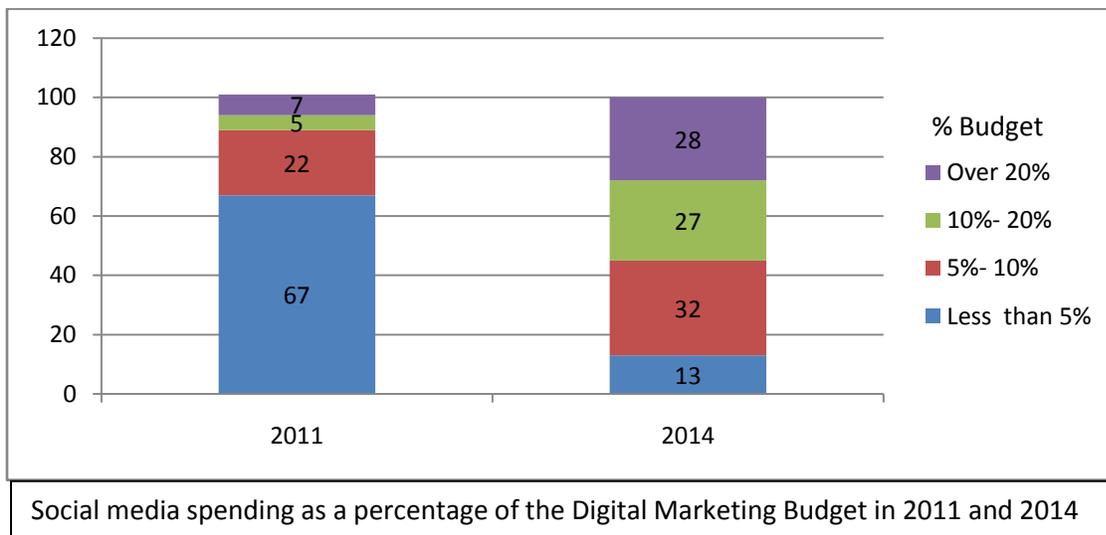


Triple Capabilities for Rich Social Media Space

Three social media capabilities are needed to leverage social media for business

Studies indicate a direct link between social media space and customer mind share. Burberry, a leading luxury apparel company, refashioned its earlier inside-fashion shows to outside social experience by streaming its shows to fans and customers on Facebook, Youtube, and Twitter to position itself as leading brand in social media.

CEOs are strengthening social media presence, and making it a top marketing priority. They are investing more in social media, with the confidence that social media efforts can increase sales.



To take full advantage of social media, companies should develop three essential capabilities.

Social media capabilities help companies to engage in conversation with customers, clients, and the community of people to create desired effect. Companies need various social media capabilities to be in consistent conversation with all stakeholders. The social media capabilities are many such as relationship management, customer interaction, product development, reputation management, customer feedback, customer interaction, customer support, community building etc.

1. **Community management:** Social media presence is only the first step but companies should develop the skill of orchestrating multiple platforms to engage and manage their community round the clock. High-impact community management has become the latest profession that fuses: part brand champion, part chief listener, part super fan, and always mission control.

Burberry manages 12.8 million fans on Facebook, 13.3 million audience on YouTube, and 35,000 subscribers on Twitter.

2. Content Development: Orthodox advertising focuses on awareness or brand recall, but social media prioritizes sharable, participation-oriented content to instigate dialogue and let the customer tell the brand story. NIKE's 'The Chance', a competition on Facebook and YouTube, attracted 75,000 young soccer champions from 40 countries over an eight month period for a life-turning contract with the NIKE Academy

3. Real-time Analytics: Capability matures through four stages that convert 'likes' and 'fans' into true value: first stage is measuring reach, second stage is tracking engagement, third stage analyzes advocacy, and finally its return on investment. ROI focused performance indicators include purchase intent, leads generated, conversion rates, or actual sales. Coke social media fans are twice as likely to consume and 10 times as likely to purchase Coke as nonfans are.

Topic	Course
Social media capabilities: Direct and Online Marketing: Unit: 24.11	Marketing management

Source: Vollmer, C. and Premo, K., *Scaling Up Social Media, Strategy + business*, issue 68, Autumn 2012