

Ticket to Growth: Social Media Optimal for Small Businesses

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Facebook pages and Twitter accounts are no longer optional. Actions such as "like," "hashtag," "follow" and "check-in" are golden tickets to a business owner.

They are part of the growing lingo of social media, which has become an essential marketing tool in growing a business.

The intentions are for small-business owners to engage customers, create dialogue and invest time in the company's social media platform.

Social media provides businesses with an opportunity to increase brand awareness and sales, improve consumer perception and customer service and to spot trends that may prompt new products or service offerings," said Elianne Ramos, vice chairwoman of communications at Latinos in Social Media (LATISM) and CEO of Speak Hispanic LLC. "We see that the most successful businesses in this arena are the ones that maintain a more transparent, two-way conversation. The key is to use it not just as a simple 'shouting platform' for your organization, but as a tool to build goodwill and enhance relationships with existing and prospective customers."

Today, four out of five active Web users will log on to social networks and blogs. Of those users, females and 18- to 34-year-olds are the most active social networkers, according to Nielsen's Social Media Report: Q3 2011.

"Advancements in [technology](#) means that your customers can find you at a moment's notice, and usually at their fingertips," said Leonardo Bastera, executive director of digital at Lopez Negrete Communications. "There are new generations of future customers who will only know you through social media. While it's important that you be in the game, you'll need to be an active player to win in this medium."

At Northwestern Mutual, a life insurance company founded in 1857, social media is used to engage with consumers in long-term conversations about planning and financial security, said Karl Gouverneur, vice president and chief [technology](#) architect for Northwestern Mutual's IT strategy and architecture team.

"A large part of that conversation is being a good listener; we believe in listening to social media chatter for suggestions and concerns about our company," Mr. Gouverneur said. "As a result, we build brand awareness and receptivity to the company, drive traffic to our websites and increase interaction between Northwestern Mutual and 'fans' of the brand."

The Audience Is Hungry

In August 2011, 72.2 million Americans accessed social media networking sites or blogs on their mobile devices -- an increase of 37 percent in the past year, according to comScore. Of the top 10 types of apps used by smartphone owners, social networking landed at the No. 3 spot, behind games and weather, according to Nielsen. In fact, 40 percent of social media users access their services from their mobile phones, according to

Nielsen.

"With the introduction of smartphones and 4G connectivity, reviews, thoughts and comments are shared at speeds never before seen," Mr. Gouverneur said. "Businesses need to sync up and stay on top of their brand reputation."

Top presidential candidates also are aware of social media's power. They all have a Twitter, Facebook and YouTube account to connect to prospective voters.

There are 13.5 million U.S. Hispanics on Facebook and 8.1 million on Twitter, according to SocialMediaSpanish.com based in Columbus, Ohio. Fifty-five percent of influential Hispanics use social media as a way to promote and improve their businesses, according to LATISM, which held its third annual awards gala conference in Chicago recently.

"One of our goals for this conference was to empower businesses by giving them access to the tools of social media and the millions of opportunities it can provide," LATISM founder and chairwoman Ana Roca Castro said.

It's no secret that the U.S. Hispanic community is growing -- and the younger generation of Hispanics is one target audience that will boost a customer base exponentially, said Ms. Ramos.

"Key for business owners to leverage this influence is keeping in mind that relationships are extremely important for Latinos online, especially when it comes to purchasing decisions," she added. "On our LATISM 2011 survey, we found that a friend's recommendation preceded other factors such as price and even the need for a product. Because these bilingual Latinos revolve around tightly knit networks, the relationships you build with them tend to yield increased recommendations, and consequently drive more business to your company."

Mr. Basterra of Lopez Negrete Communications, which was named Best Hispanic Agency Using Social Media to Reach Latinos by LATISM at the gala, agrees that Hispanics are more prone to sharing their opinions and following a brand or business because a friend or relative suggested it.

"It's also important to embrace that there are customers who have an affinity for Hispanic (enterprises) not only because they understand that they produce great products and services, but because there is a sharing of heritage, a desire to grow the brown dollar and support businesses that originate from their community," Mr. Basterra said. "Capitalize on that by connecting with them through the various social media platforms."

Time Is Money

There's a misconception that social networking is free. While all of the hottest social media websites are free to join, what becomes an expenditure is the time spent to generate content and research, and the time spent engaging customers.

"Create a plan that takes into account the value of your time and work within that," Mr. Gouverneur said. "If you take the time to set measures and stay the course on the strategy, results will come in short order."

It isn't true that "if you build it, they will come" when dealing with social media, Mr.

Basterra said.

"Social media is largely about sweat equity," he said. "The amount of time, thought and ongoing maintenance you put into it will determine the effectiveness of your message and how your customers perceive your business, products and services."

Sound Advice

The takeaway from experts is that social media takes time. And whether your goal is more "likes" on a Facebook page or more followers on Twitter, the outcome is the same -- exposure to your brand.

Northwestern Mutual's Mr. Gouverneur said the first step is to understand what consumers are saying about your brand. He suggests using free tools like Social Mention, Twitter Search and Google Alerts to monitor conversations about your company.

"Go online and engage in conversation. Visit websites like Mashable.com to learn what is new and effective in social media," he said. "Research businesses similar to yours. Find where they are online, and emulate those that are effective and successful in their social media efforts."

SCORE, a nonprofit association that helps [entrepreneurs](#) and small businesses succeed nationwide, hosted a social media workshop for Santa Barbara residents in November led by Kelly Flint of Constant Contact.

Ms. Flint spoke about location-based services such as Facebook Places, Four- Square, Gowalla and Yelp that can help create visibility for businesses. Constant Contact is a company that helps small businesses use marketing tools to create and grow customer relationships.

"Content is king," Ms. Flint said. She advised business owners to share information, tips and advice; to post polls, surveys, and contests; and to upload plenty of photos and videos. She also suggested holding events and partnering with nonprofits and with other businesses to do all of the aforementioned. "But avoid being pitchy and overtly self-promoting," she said.

"Don't offer incentives to get reviews or 'likes' (on Facebook), and avoid personal sharing about politics, sports or religion."

When asked if a social media expert was an essential person to have as an employee within a company, Mr. Basterra said it depends.

"If your small business is ready to embrace social media as part of its overall marketing plans, there should be internal staff championing the strategy and making sure that all the pieces are in place to make social media effective and efficient," he said. "Just make absolutely sure you're tapping a subject matter expert with real-time experience, as social media is dynamic, continuously evolving and producing new learnings for businesses daily."

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