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How Social Media Is Changing Brand Building

by Tracy Stokes, May 7, 2012

KEY TAKEAWAYS

Social Media Is Now A Brand Building Requirement, But Not On Its Own

Marketers accept that social media is now a fundamental part of brand building, but putting that theory into action is still a challenge as many struggle with how to use social engagement effectively. Social efforts do not represent a standalone solution and need the scale and consistency of paid and owned media.

Brand Building Strategy And Social Strategy Are Inextricably Intertwined

The fundamentals of brand building have not changed. Marketers must still forge an identity for the brand and communicate it across all consumer touchpoints to create a consistent brand experience. But in the 21st century, brands need to have a social story to leverage the emotional and persuasive elements that make offerings successful.

There Are Three Strategic Roles Social Should Play To Help Build Your Brand

Marketers must use social to serve their brand building objectives. It can help the brand: 1) build a relationship to become more trusted; 2) differentiate through an emotional connection to become more remarkable and unmistakable; and 3) nurture loyal fans to become more essential.



How Social Media Is Changing Brand Building

by [Tracy Stokes](#)

with [David M. Cooperstein](#), Corinne Madigan, and Matthew Dernoga

WHY READ THIS REPORT

Social media has fundamentally changed how consumers interact with each other and with brands. As a result, marketers tell us that they now consider this new channel to be a critical component of brand building. And while many marketing leaders are asked, “What is your social strategy?” the real question is, “How does social media change the brand strategy?” In this report, Forrester identifies three ways in which social media can help marketers’ brand building efforts by: 1) building a relationship to become more trusted; 2) differentiating through an emotional connection to become more remarkable and unmistakable; and 3) nurturing loyal fans to become more essential.

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Forrester interviewed 12 vendor and user companies including 33Across, 360i, Digitas, General Motors, imc2, JetBlue Airways, McDonald’s, Radian6, Rockfish Interactive, Tenthwave Digital, VivaKi, and Weber Shandwick.

Related Research Documents

[Brand Building In The 21st Century](#)
May 3, 2012

[Customize Your Interactive Brand Ecosystem](#)
October 26, 2011

[Traditional Paid Media Must Fuel Earned Media Efforts](#)
October 13, 2011



SOCIAL ENGAGEMENT IS NECESSARY BUT NOT SUFFICIENT FOR BRAND BUILDING

Social engagement is not defined by a Facebook page or a media buy — it is a way to communicate directly with consumers on their terms, whether that's reading a blog, sharing a YouTube video, or posting to a social networking site.¹ What does this mean for brands? In Forrester's February 2012 Marketing Leadership Online Survey, marketers told us that social media:

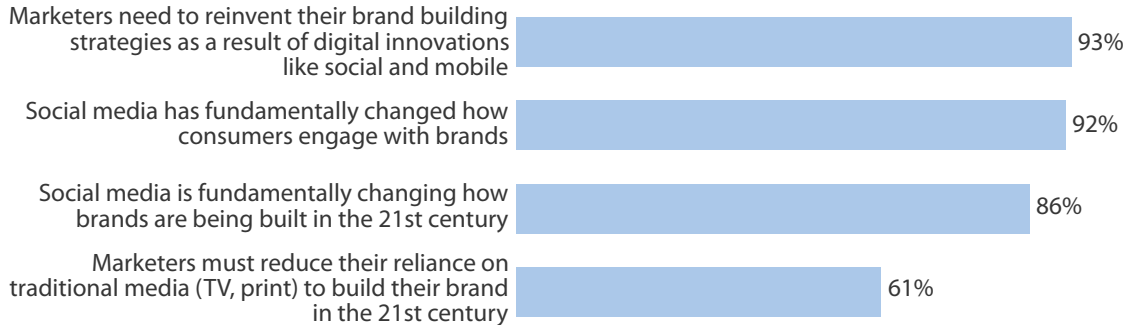
- **Has become a major channel on par with search.** Marketing leaders believe that social marketing and media have become intrinsic to 21st century brand building.² In our survey, one out of five chief marketing officers (CMOs) said that they are personally accountable for social efforts. They need to determine how digital media like social and mobile will fundamentally change how brands are built (see Figure 1-1). In fact, among digital channels, they view social media as second only to the Web in affecting branding and second only to search in affecting brand building efforts (see Figure 1-2 and see Figure 1-3).
- **Redefines the relationship between consumers and brands.** Forrester's research shows that 59% of online consumers are active on social networking sites at least weekly, and one-third of online users have become a fan of a company or brand via social platforms like Facebook and Twitter (see Figure 2).³ Of marketing leaders we surveyed for this report, 92% believe that social media has fundamentally changed how consumers engage with brands.
- **Forces marketing strategies to adapt.** Three out of four marketing leaders surveyed are changing their marketing strategy as a result of social media. Two-thirds claim to have a clearly defined social marketing strategy, but only half view their social efforts as strategically integrated into their 2012 brand building plans (see Figure 3).

Figure 1 Marketers View Social Media As Critical To Brand Building

1-1 Marketers believe social is changing their approach to brand building

“Do you agree or disagree with the following statements about the impact of digital media (social, mobile, etc.) on brand building?”

(4 or 5 on a scale of 1 [strongly disagree] to 5 [strongly agree])



Base: 99 marketing leaders

1-2 Within digital channels, marketers view social as second only to the Web in affecting branding

“Which of the following is having the biggest impact on your branding efforts?”

	Total	B2C	B2B
1	Online/Web	Online/Web	Online/Web
2	Social media/marketing	Social media/marketing	Content development
3	Content development	Search	Email marketing
4	Search	Content development	Social media/marketing
5	Email marketing	Email marketing	Search

Base: 99 marketing leaders

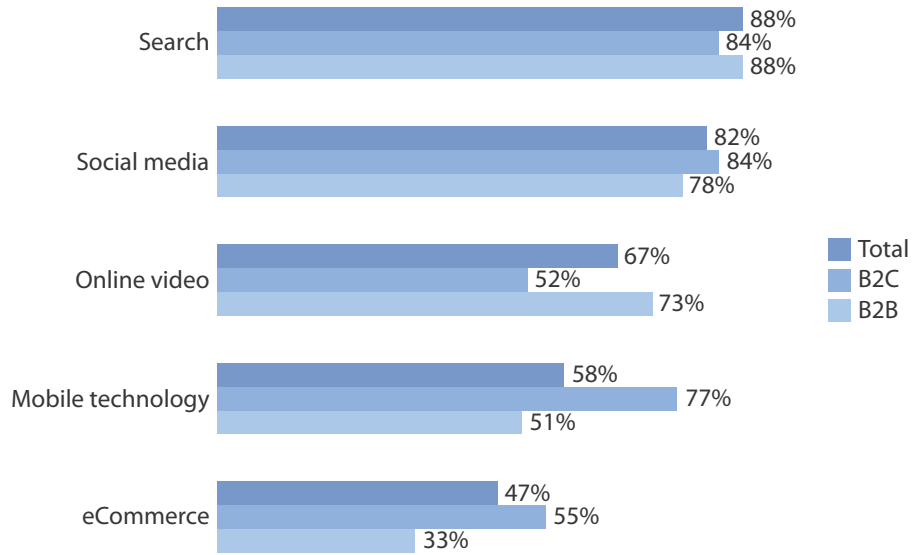
Note: The top five responses are shown.

Source: February 2012 Marketing Leadership Online Survey

Figure 1 Marketers View Social Media As Critical To Brand Building (Cont.)

1-3 Marketers see social as second only to search regarding impact on brand building strategies

“How much have the following technologies affected your brand building strategies?”
 (4 or 5 on a scale of 1 [not at all affected] to 5 [significantly affected])



Base: 99 marketing leaders

Source: February 2012 Marketing Leadership Online Survey

60333

Source: Forrester Research, Inc.

Figure 2 Almost Two-Thirds Of Consumers Are Active On Social Networks Weekly Or More Often

“How frequently do you do each of the following activities?”



23% of online consumers visit social networking sites several times a day.

Base: 57,924 US online adults

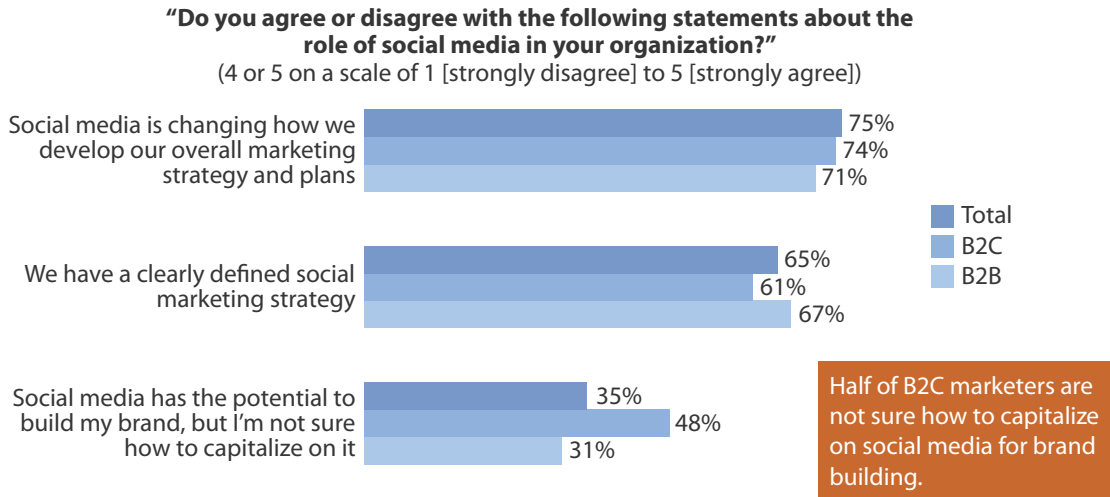
Source: North American Technographics® Online Benchmark Survey, Q3 2011 (US, Canada)

60333

Source: Forrester Research, Inc.

Figure 3 Marketers Claim To Have A Social Strategy But Aren't Yet Integrating It Into Brand Building

3-1 Marketers are changing their plans as a result of social media . . .

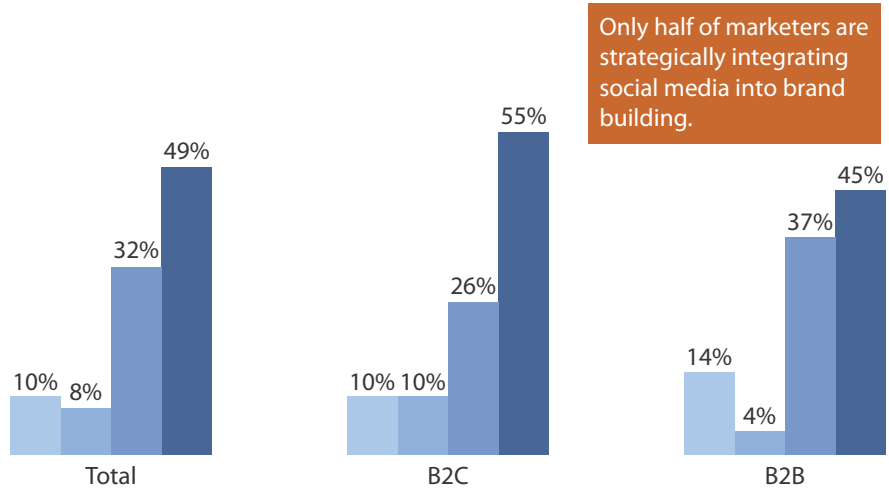


Base: 99 marketing leaders

3-2 . . . but they are not yet strategically integrating social into brand building

“How would you define the role of social as it relates to your 2012 brand building strategy?”

Isolated/tactical (lightest blue) | Isolated/strategic (medium blue) | Integrated/tactical (dark blue) | Integrated/strategic (darkest blue)



Base: 99 marketing leaders
 (percentages may not total 100 because of rounding)

Source: February 2012 Marketing Leadership Online Survey

Caution: Social Media Lacks The Power To Build A Brand Alone

Consumers have embraced social media, making it an important new channel for marketers to engage. But social by itself is not enough to build your brand. This is because:

- **Communicating through social networks is not scalable.** Marketers and social marketing agencies told us that social media cannot reach critical mass in the same way that paid broadcast media can, and it would defeat the uniqueness of the channel. Facebook recently warned advertisers that just 16% of fans see organic content posted by brands.⁴ JetBlue, a leading proponent of social media, understands this. When it comes to a big launch like a new service to Dallas, the airline still turns to TV broadcast for broad impact and awareness.
- **Messaging through social media is too fragmented.** Social media's many voices fragment a brand's message like an old-fashioned game of telephone; paid and owned media are still essential to define a brand message. According to digital advertising agency 360i's Sarah Hofstetter, you need to invite consumers in, but if you are too collaborative, you will not have a strong brand foundation. For example, Coca-Cola used paid and owned media to firmly establish its "open happiness" brand campaign before extending the campaign through social engagement.
- **A social strategy is only as good as the brand strategy that guides it.** Brands must lead the consumer with a clear vision of who they are and what they stand for, while grounding all social engagement in that vision. For example, premium hotelier Four Seasons' mission to offer "only experiences of exceptional quality" is echoed in its social strategy, such as its Twitter wine tastings. Consumers can experience virtual wine tastings at home, while they share descriptions and evaluations through Twitter, or they can experience the wine tasting at a participating Four Seasons hotel.⁵

BRAND BUILDING STRATEGY MUST DICTATE SOCIAL STRATEGY

Too often, marketers say that they are working on their social strategy, but it is disconnected from their overall branding efforts, apart from logos and collateral. Forrester believes that to be successful, 21st century brands must point their brand compass in the direction that helps them build a brand that is trusted, remarkable, unmistakable, and essential.⁶

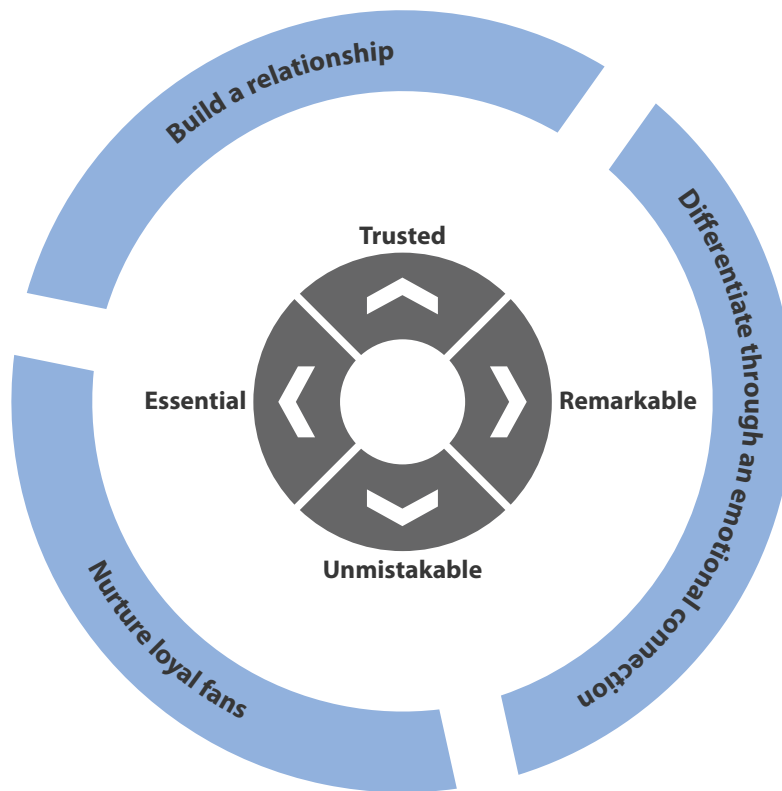
- **Trusted.** Long-lasting brand relationships require brands to be transparent regarding the values and principles they share with consumers.
- **Remarkable.** A remarkable brand differentiates itself by disrupting the existing market with new and unique value.
- **Unmistakable.** Brands must build their distinctiveness by setting themselves apart from their category, defining unique characteristics that are not comparable with others.

- **Essential.** An essential brand defines itself by what is irreplaceable about the product or service, in terms of value, function, or attributes.

THREE WAYS SOCIAL ADVANCES YOUR BRAND BUILDING EFFORTS

So where does social activity fit into branding and brand building efforts? The key is in social engagement. Brands like Jim Beam and General Motors (GM) are starting to see the positive impact of social engagement on brand building, in particular with consumers who are already predisposed to like the brand. While social's impact on brands and brand building is still hard to measure, Forrester has identified three strategic roles for social to play as part of an integrated brand building effort to make your brand more trusted, remarkable, unmistakable, and essential (see Figure 4).

Figure 4 Three Ways Social Advances Your Brand Building Efforts



Trusted Brands Build A Relationship

For brands that need to build trust, social media can make messages more engaging to support product and corporate initiatives. To highlight shared values and principles, brand marketers can:

- **Humanize a faceless corporation.** Unlike a linear ad campaign, social has the ability to express the deeper meaning behind a brand. GM's "Faces of GM" video campaign, which syndicated across GM's owned channels and blogs, helped humanize the US auto giant as it struggled to climb its way out of bankruptcy. The videos turned an anonymous corporate tower in Detroit into a building full of relatable employees who design, build, and sell cars. GM's more transparent and experiential way of connecting successfully shifted the company's overall reputation from a negative to a positive one.
- **Create groundswell support for risky decisions.** Testing the waters is hard to do in traditional media or public relations, but social provides a great test bed. In summer 2011, McDonald's created groundswell support for a nutritional change to its kids' Happy Meal by courting influential mom bloggers. Their support and perspective paved the way for a successful awareness-building TV campaign introduced in spring 2012.
- **Correct a negative image.** Consumers don't have an option to discuss controversial topics in one-way paid media. Armed with the proper ammunition, Walmart turned to owned and social media to help burnish its tarnished corporate image around topics such as sustainability. The Walmart community provides in-depth information about its efforts, such as being the first big-box retailer to install energy-efficient lighting, and shares employee stories. And its Customer Action Network (CAN) program engages customers at a local level. Walmart also contributes a column to the highly regarded sustainability website TreeHugger and launched its own blog called *The Green Room* in January 2012.

Remarkable And Unmistakable Brands Differentiate Through An Emotional Connection

With low-consideration products like deodorant or disinfectant, social media can be used to promote the unique emotional benefits that make the brand stand out and stave off price erosion from lower-priced store-brand competitors. To unlock this brand value:

- **Bring the emotional benefit to life.** Social engagement can bring a personal and emotional benefit to life beyond what is communicated in paid and owned media. For example, Lysol's broad positioning around "the trusted brand for health" is made tangible for moms by sharing tips via online and social media around the importance of good hand hygiene to help prevent illness. The positioning also feeds product offerings such as the Lysol No-Touch Kitchen System, which keeps dishes, surfaces, and hands germ-free. And the disinfectant brand integrates the campaign with a school education program and similarly themed video spot.

- **Engage around a shared cause.** If you compete in an undifferentiated category, use social engagement to create a bond around a shared cause. Secret built off the brand's heritage of "fearlessness" with a "Mean Stinks" anti-bullying campaign that encouraged teenage girls to speak out against bullying. Procter & Gamble drove awareness for the Secret campaign through mobile ads and print ads featuring *Glee*'s Amber Riley, created engagement with an in-depth 2-minute commercial on YouTube, and gave consumers an opportunity to lend their voice to the cause through Facebook. The campaign also contributed to sales results, with a 9% lift in brand sales.⁷
- **Bond your brand to your consumer's real life.** Use social engagement to forge an emotional connection between your consumer's life and your brand proposition. Concerned that the packaging for Jim Beam Black made the premium product seem too cheap, the distiller created more luxurious packaging and promoted it to men in their 30s. The key to success was to link the brand's unique proposition — that it was aged for eight years — with how men's lives had changed during the same eight years. Starting with the "8 Years Changes Everything" concept, Jim Beam's social media agency Tenthwave created an integrated social campaign, including a "Beamfire challenge" — a virtual fire on Facebook into which consumers could throw anything from the past eight years that was no longer relevant to their life. Consumers' association that Jim Beam Black is a premium brand increased 43%, and sales grew in the double digits as a result of the campaign.

Essential Brands Nurture Loyal Fans

For brands that need to become more essential, social efforts support broad-mass-reach paid media with personalized social experiences. To develop deeper and more personal connections with fans:

- **Engage brand lovers with a more immersive experience.** Make consumers' multiscreen addiction work to your advantage. Use social to back up a paid media campaign with lean-in in-depth content for brand lovers. For example, during Coca-Cola's 2012 Super Bowl spot, Coca-Cola's Facebook fans watched the polar bears react in real time to the game on TV, including having them leave the cave when the competitor's ad aired. Another leg of this campaign encouraged consumers to join the soda maker in its support of a World Wildlife Fund to protect the polar bears' Arctic home through both on-air and online activation.
- **Reward brand loyalists with personalized communications.** Social allows marketers to segment mass-reach campaigns with mass-customized communications around fans' passion points. McDonald's engaged existing fans of its french fries through a "You Want Fries With That?" online contest promoted through Twitter — with \$25,000 going to the winner. It was one of McDonald's biggest and most successful contests to date, using social to generate awareness and submissions.

- **Activate new advocates using the established loyal fan base.** Under Armour and Skullcandy have taken social engagement one step further — they use their loyal fans to deliver customer service and create new advocates. Working with social commerce platform provider Needle, they have their fans answer questions and engage the community. So while delivering the service they need to offer, they make the existing fans stronger, reduce customer service costs by using social channels, and initiate a new round of rabid loyalists.

WHAT IT MEANS

BRAND MARKETERS WILL ADAPT TO THE NEW SOCIAL REALITY

As social engagement drives a brand building tipping point that instigates change in marketers' fragmented budgets, CMOs will develop more integrated and measurable brand building strategies. Forrester believes that social's longer-term impact on brands will encompass the following:

- **Corporate and brand identity will blur.** As employees from the chief executive officer to the retail cashier become brand ambassadors, the vaulted brand image will become more inextricably intertwined with the corporate identity. IBM believes that the brand is the employees and is creating a new "IBMer's" experts program to leverage their impact. Similarly, McDonald's is looking at how it can harness the power of its 1.7 million employees as brand advocates. To compete with these new employee armies, CMOs will need to go from employee social experimentation to more purpose-driven programs. Discover what it is about the employees that uniquely connects with the brand, and focus their efforts around it. For IBM, it is expertise, and for others, it could be superior service or local knowledge.
- **Connection planning will supplant channel planning.** Global consumer packaged goods (CPG) giants from Procter & Gamble to Unilever and Coca-Cola are making a lot of noise about shifting dollars from traditional media to digital media and ultimately to consumers' connection points rather than siloed media channels. Forrester's brand ecosystem marries media consumers' trust with media scale to help CPG brands determine where to focus their dollars. For example, Baby Boomers favor TV and traditional online media over social media.⁸ Anheuser-Busch InBev (AB InBev) is pioneering a strategy around this concept. The brewer developed in-depth media profiles from a global consumer study to guide where it connects its brands with its consumers.
- **Tent-pole events will become the new rallying cry.** There's a lot of chatter about the need to be always on, but if every brand is always on, then no one brand stands out. Brands will focus on key events to break out from the crowd and force their marketing teams to integrate their efforts, regardless of organization silos. AB InBev's 2010 World Cup program combined TV, video, and a reality-style *Bud House* online show. Similarly, to celebrate its 165-year history, Cartier created its own event around a sumptuous short film *L'Odysée de Cartier*. Cartier premiered the 3-minute film at a special event at The Metropolitan Museum of Art, followed by exposure on TV and

cinema screens around the globe.⁹ But it gained the most traction and buzz in online and social, accumulating 9.7 million views on YouTube in just four weeks.

- **Marketing mix modelers will reinvent their models to account for new consumer behavior.** Agent-based marketing mix models like ThinkVine will gain more traction due to their ability to model and keep up with ever-changing consumer behavior. Regression-based modelers like MarketShare, Nielsen, and SymphonyIRI that rely on historical data will need to similarly integrate social and other types of data to predict future performance per marketers' demands.
-

SUPPLEMENTAL MATERIAL

Methodology

Forrester conducted an online survey fielded in February 2012 of 99 marketing leaders. The sample draws from a curated list of self-described marketing leaders. Respondents who participate in online surveys have in general more experience with the Internet and feel more comfortable transacting online. The survey is global but draws primarily from the US. Incentive for completion was a deck of the survey results.

Exact sample sizes are provided in this report on a question-by-question basis. Panels are not guaranteed to be representative of the population. Unless otherwise noted, statistical data is intended to be used for descriptive and not inferential purposes.

If you're interested in joining one of Forrester's research panels, you may visit us at <http://Forrester.com/Panel>.

Companies Interviewed For This Report

33Across	McDonald's
360i	Radian6
Digitas	Rockfish Interactive
General Motors	Tenthwave Digital
imc2	VivaKi
JetBlue Airways	Weber Shandwick

ENDNOTES

- ¹ Terminology for social is changing as fast as the channel itself. Forrester defines social marketing as using social networking sites to communicate with consumers and incorporating the unique properties of social media into all aspects of marketing planning and customer touchpoints such as brand communications, public relations, websites, and customer service. Social engagement is a 1:1 relationship between a consumer and a brand across all social communications channels, including blogs, social networks, YouTube, etc.
- ² Forrester distinguishes between brand and brand building as follows. The brand is a person's perception about a company or commercial offering based on his or her accumulated experience related to it — in short, what a person thinks, feels, or believes about a company or commercial offering. And brand building is the strategy of driving growth for the company by creating differentiated value through its offering, identity, and interactions to establish mindshare, market share, and pricing power. To read more on brand building in the 21st century, see the May 3, 2012, "[Brand Building In The 21st Century](#)" report.
- ³ Source: North American Technographics® Online Benchmark Survey, Q3 2011 (US, Canada).
- ⁴ Source: Cotton Delo, "Facebook Warns Brands that Scale in Social Won't Come Free," *Advertising Age*, March 5, 2012 (http://adage.com/article/digital/facebook-warns-brands-scale-social-free/233105/?utm_source=daily_email&utm_medium=newsletter&utm_campaign=adage).
- ⁵ Source: Frederic Colas and Laurel Wentz, "Four Seasons Embraces Digital Marketing, Virtual Experiences," *Advertising Age*, January 16, 2012 (http://adage.com/article/cmo-interviews/seasons-embraces-digital-marketing-virtual-experiences/232055/?utm_source=daily_email&utm_medium=newsletter&utm_campaign=adage).
- ⁶ For more on this, see the May 3, 2012, "[Brand Building In The 21st Century](#)" report.
- ⁷ Source: Jim Edwards, "Facebook Claims It Increased P&G's Deodorant Sales By 9%" *Business Insider*, February 1, 2012 (http://articles.businessinsider.com/2012-02-01/news/31011971_1_facebook-page-ipo-filing-social-network).
- ⁸ For more on this, see the October 26, 2011, "[Customize Your Interactive Brand Ecosystem](#)" report.
- ⁹ Jane Lee, "Cartier Unveils Dazzling Short Film Celebrating 165-Year Anniversary," *Forbes*, March 4, 2012 (<http://www.forbes.com/sites/janelee/2012/03/04/cartier-unveils-dazzling-short-film-celebrating-165-year-anniversary/>).

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