Social Media and the Data Management Platform

Understanding Data-Driven Social Media Marketing
Discover the Benefits of Powering Your Social Media Marketing Efforts with Data

In 2013 it became clear social media was a critical avenue for brands. More than ever before, social media became less of an area of exploration and testing, and more of a necessary line item within the marketing plans for major global brands. As social media grew in importance, so did the desire for brands to integrate data-driven marketing into the category and so was born the marriage between audience data and social.

This white paper serves to provide marketers with background knowledge, practical (tactical) use cases, and sample performance of other cutting edge marketers as they explore ways to integrate data into their social marketing mix.

The State of Social Media

In 2009 large companies—with 1,000 employees or more—already had 200 terabytes of data on consumers according to McKinsey and Company. In 2010, global enterprises stored more than seven exabytes of new data, with one exabyte of data equivalent to more than 4,000 times the information stored in the US Library of Congress.

In the last five years, we’ve seen that number grow exponentially with the rise of social networking data. We have millions of Tweets, hundreds of millions of Facebook Likes, hundreds of thousands of check-ins on Foursquare. Pinterest and Instagram are adding even more information to this social media data deluge. We are heading into a social media data explosion that will soon be out of control—if it isn’t already—at most companies.

Social media data is essentially unstructured—that’s what makes it so interesting and so hard to analyze. There is no simplistic system that allows us to make sense of social media data through standard analytical tools. We already know that any attempt at analyzing this data on a human scale is inconceivable.

In the past, with traditional media, we had structures around our data that made it possible to analyze and act upon. Brands knew how to analyze TV ads with Nielsen ratings, while circulation numbers were finely tuned by zip code for magazines and newspapers to microtarget consumers. Digital also provides a full array of insight from various channels.
**Social media data is a completely different ball game.**
Consumers are increasingly interacting with brands via mobile on a very local level—that adds another dimension to the data. The data we are receiving from social media is vastly different from the static, transactional data we had previously gathered. It is unstructured, fluid, mobile, and often contradictory.

Modern Marketers realize that social conversations can lift brand exposure and relevance. Brands realize that consumers are looking for an emotional connection to the brands they like—they expect exclusive content and want to establish a relationship with the brands they use. Social media is about connections that drive loyalty and advocacy, which every brand aspires to create.

Brands engaging with consumers in social media understand social is an area of engagement rather than an area for driving immediate sales. Brands understand social media is a “slow play” medium, where the ongoing conversation benefits long-term sales and customer retention. This goes back to loyalty and the ability for consumers to connect with the brands they prefer.

As brands strive to be effective with their marketing efforts in a multichannel, multimedia world, they must be consistent and relevant in their messaging. This is the single most important reason why marketers are looking to integrate data into their social efforts. The more a brand knows about their customers, and the more they are able to utilize that information to influence the conversation they have with them, the more likely they are to have a positive influence on that relationship and drive that customer’s behavior towards a sale (either new or repeat).

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**A recent study from Social Media Examiner shows the following support for social media as a well understood and important vehicle for marketers:**

- 86 percent of marketers indicate social media is important for their business.
- Facebook is the leading platform for marketers with 49 percent selecting the platform as their most important social channel. LinkedIn was selected as the second most important channel.
- Conversely, only 37 percent of marketers feel they are doing a good job of marketing on Facebook.
- 89 percent of marketers surveyed stated exposure as the number one goal for social media, which is in line with other reports that state reach and engagement as the most important metrics for social media.
- More than half of marketers surveyed over the last three years stated that social media has helped them improve sales—this is a huge number and speaks to the value of social, even if that value is deferred.
Social Media and Native Advertising

The current format for advertising within social media is commonly referred to as “native advertising.” Native advertising in social is defined as ads placed within the stream of editorial content on a social platform, to give the reader a seamless and integrated ad experience. There are benefits to native advertising for both marketers and publishers:

**Marketers**
- Generate increased brand perception and affinity with ads that complement user experience.
- Increase engagement touchpoints with users since ads become synonymous with all content.
- Leverage the power of social media.

**Publishers**
- Create seamless user experience uninterrupted by ad placement.
- Monetize additional content blocks on pages outside of traditional ad units.
- Charge higher CPMs from advertisers because of increased ad effectiveness.

*Social media advertising and even native advertising is commonly referred to as “earned media” because of the compounding effect of generating additional reach based on interactions in the social environment and a brand’s ability to generate additional reach, or “earn” the reach.*

*(For a detailed background on the history of “consumer engagement” we recommend reading en.wikipedia.org/wiki/Customer_engagement.)*

Native advertising in social media has proven effective and scalable for many advertisers, especially those focused on business-to-consumer (B2C) audiences. The primary metrics for native advertising are the following:

**Targeted impressions:**
Generate exposure to a targeted audience that has been qualified based on their likes or behavior, thereby reducing wasted impressions and maximizing the efficiency of your budget.

**Increased interactions and reach:**
Generate social interactions such as “likes” or “follows” thereby increasing the audience reach for ongoing messaging.

**Increased click through:**
Generate traffic back into a branded environment, such as a website or app, to garner contact info or other such lead information.
The Social Media Landscape

Social media and native advertising opportunities in social can be created through any of the following types of social media channels. Following each category is a brief description of what that channel provides.

**Facebook**

- The largest social platform and the leader in terms of reach and brand engagement.
- Facebook runs two advertising programs: FBX (Facebook Exchange) that helps advertisers reach users based on their Facebook profile or behaviors within the social network, and Custom Audiences, where advertisers upload customer lists to retarget their high value audience.

**Twitter**

- A news-focused platform for understanding trends and general audience interaction, Twitter has become a solid force in the media landscape.

**LinkedIn**

- A business and professionally-focused social media network, LinkedIn has seen significant success in terms of generating reach, creating ongoing interaction, and providing immediate value to brands.

**Google+**

- Google+ provides a strong audience with deep behavioral data which Google leverages across their other channels and in its targeted advertising products.

**Foursquare (plus check-in services)**

- The leader in the “check-in” category, Foursquare has grown steadily over the last few years but has seen its business challenged by check-in services enabled in Facebook and other social platforms.

**Blogs**

- The oldest form of social media, blogs are a self-publishing tool that enables anyone to create commentary and for the viewer to become involved. Blogs are managed by individuals and companies and generate a large volume of impressions across the online universe.
- Advertising on blogs is generally purchased through typical online ad exchanges and networks.
Pinterest

- The social channel focused on “pinning” pictures and images into virtual scrapbooks across the web.

Instagram

- Owned by Facebook, Instagram is the largest photo-sharing platform and provides significant reach into the online audience.

YouTube

- Owned by Google, YouTube is the leading video channel on the web. YouTube is considered by many to be as valuable as any television network in terms of reach and audience aggregation.

Vine

- The Twitter-launched video platform, Vine has succeeded in generating significant traffic in its first two years as a service.

SnapChat

- A time-based photo messaging application, heavily utilized by younger audiences, where images are shared then expire in short periods of time.

Social Media and the Data Management Platform

Oracle Marketing Cloud unlocks the value of data in social media.
More and more in the last few months we are seeing marketers shift data-driven marketing methodologies into the social media space. The tactical execution of these methodologies most often manifests in the following:

1. Retargeting on social (traditional display and mobile)
2. Look-alike models within social platforms
3. Audience analytics against your social engagers
4. Social targeting on traditional display
5. Site optimization based on social data or triggers

The most common outlets for these efforts are Facebook and Twitter. There are a number of ways that a data management platform (DMP) can deliver data into a social platform.

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Case Studies in Social Media Advertising

**Entertainment Case Study**

In Q2 2014, a top US gaming company utilized Oracle Marketing Cloud’s DMP to power their social and video advertising initiatives across primary partners. The marketer identified medium and heavy users of their console gaming business through anonymous first-party console login data. Oracle Marketing Cloud’s DMP enabled the marketer to share this segment with key partners such as Twitter, Bright Roll, and Undertone Networks for retargeting.

**Results**

- Within Twitter, the DMP-powered campaigns targeting this customer segment drove a 45 percent increase in engagement metrics and a 27 percent lower cost per experience (CPE).

- Within video networks, the same customer segments also drove higher levels of engagement with 10 times the percentage of clicks-to-preorder versus broader audience segments, resulting in a 50 percent lower cost-per-preorder versus nontargeted ads.

**Telco Case Study**

A leading US wireless Telco used Oracle Marketing Cloud’s DMP to power a pre-Super Bowl social media campaign the week leading up to the Super Bowl XLVIII in New York. The marketer was looking to drive ongoing brand interactions by retargeting users who had previously engaged with the campaign on Twitter.

The brand tapped Oracle Marketing Cloud’s DMP to collect anonymous user data for those...
that had engaged with the Twitter efforts by tagging the campaign microsite, identifying those users as “Twitter-engaged,” and retargeting within Twitter at a subsequent time. Additionally, the marketer was able to analyze this group of engagers through Oracle audience analytics reports to garner a 360 degree view of these users, including general demographic attributes and likely purchasing behaviors.

Results

- The Twitter retargeting effort achieved a 6.84 percent engagement rate, which was substantially higher than their standard Twitter benchmark of 1.2 percent.

Wireless Case Study

A top wireless Telco was looking to accelerate its high growth rate and needed to find efficient ways to prospect new customers. Being in acquisition mode, targeting a broader prospecting audience became key for this wireless Telco, as it fought to stay top of mind with consumers. Increasing its prospecting base brought along new challenges, such as the ability to provide effective and timely offers to consumers to persuade them to switch providers. The wireless Telco saw a missed opportunity, as they were not able to leverage insights about their current customer base in their quest for expansion. This was evident in their social media ad efforts, especially Facebook. They needed a better way to power their advertising messaging and locate high priority prospects.

Results

The DMP solution led to a six fold lift in Facebook native ad performance and helped reduce the costs of third-party data spend by as much as 50 percent while increasing prospecting efficiency.

Key Learnings

- The wireless Telco worked with Oracle Marketing Cloud data management to power their retargeting efforts, which when coupled with audience analytics, helped them define common characteristics of their customers (and best prospects).

- With the DMP in place, they were able to use third-party data to power prospecting campaigns, locating consumers that had the key attributes they identified with audience analytics.

- They also worked with modeling partners to create look-alike models based on their first-party data. These models helped identify high value targets that resembled current customers and had a high propensity to convert.

- The wireless Telco was then able to improve the targeting for their Facebook campaigns using audience injection to power their ads based on first-party data, and pairing it with social targeting attributes available through Facebook.

- Powered by the DMP, they increased site conversion by optimizing messaging, offers, and featured products, creating a customized experience for prospective and current customers.
How Does Oracle Handle Social Media?

Oracle Marketing Cloud data management provides a horizontal solution for integrating data and insights into every aspect of your marketing mix. Our strategy has been to integrate with the leading social platforms to ensure your first-party data can be seamlessly activated for targeting, retargeting, and message customization in these immensely powerful platforms. Integration with social channels means we can help you achieve success in all your social marketing efforts. Contact us for a demo and see how we can help.

The DMP for Social

Oracle Marketing Cloud offers the only DMP integrated with the major social partners. Take advantage of audience creation and seamless activation into social platforms for customized audience targeting in a native environment.

- First-party (online, offline)
  - Only DMP integrated for online data
  - Access to marketplace inventory
  - Audience injection seamlessly ports data into Facebook Custom Audiences tool

- All Data (first, second, and third party)
  - Engaged mobile audience
  - Unique international capabilities
  - Third-party data also available in audiences

Questions to Ask Yourself

When evaluating your social media marketing efforts, ask yourself:

- Are my social campaigns driven by audience data?
- Am I tapping into the most available data (such as first-party)?
- Am I able to serve a relevant message on social based on the consumer’s interactions with my website, or what I know about them from previous purchases?
- What metrics am I measuring the success of social campaigns against?
About Oracle Marketing Cloud

Modern Marketers choose Oracle Marketing Cloud solutions to create ideal customers and increase revenue. Integrated information from cross-channel, content, and social marketing with data management and dozens of AppCloud apps enables these businesses to target, engage, convert, analyze, and use award-winning marketing technology and expertise to deliver personalized customer experiences.

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