

Social Media Spending Habits Rise, New Research Reveals

About the Author, Phil Mershon

Are you wondering how other businesses are allocating their social media activities in relation to other marketing tasks?

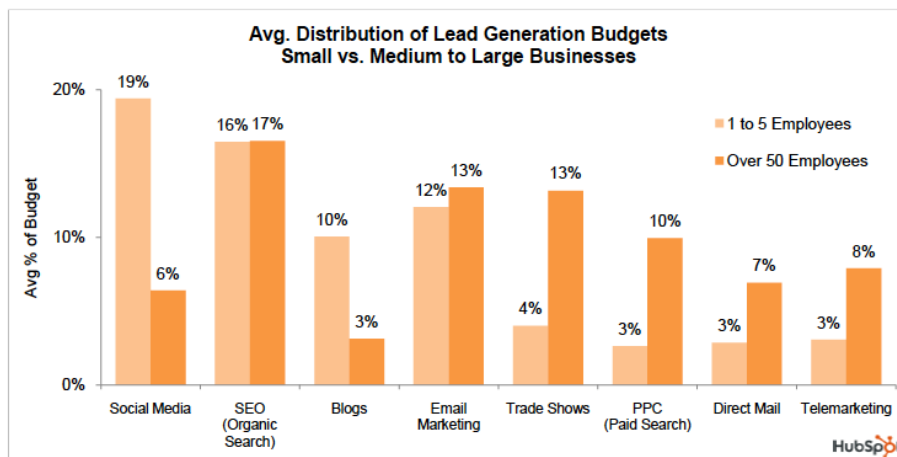
This article reveals the findings of a few new research studies. What they found might surprise you.



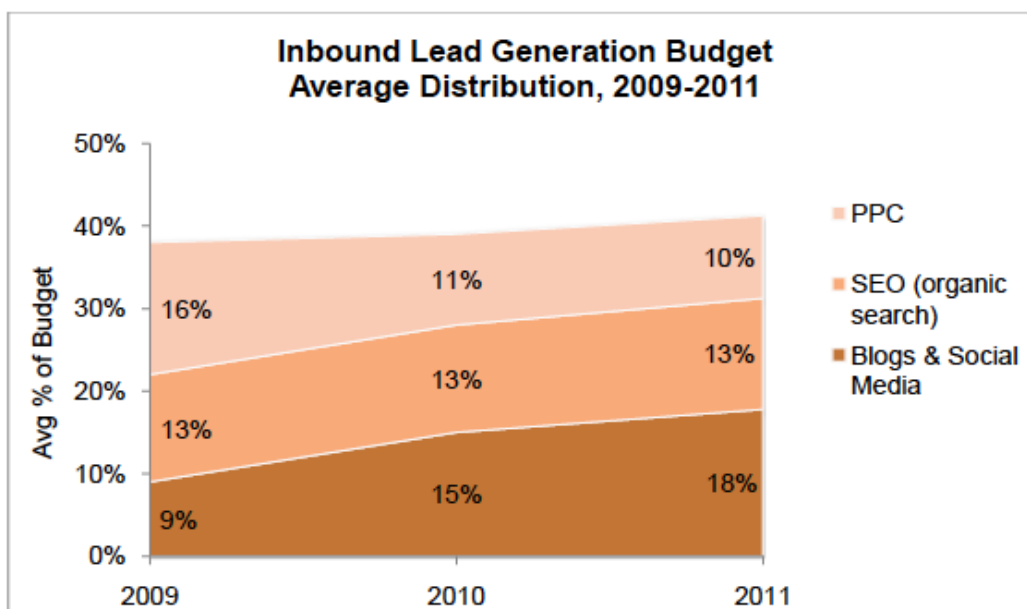
Small Business Focusing Big Time on Social Media and Blogging

Small businesses are spending three times more on social media and blogs than larger businesses.

In HubSpot's [2011 State of Inbound Marketing Report](#), researchers discovered that **small businesses plan to spend 29% of their lead generation budget on social media and blogs.** Asked the same question, medium to large businesses only plan to spend 9% on the same categories.



HubSpot's conclusion: **all marketers are increasing their lead generation budgets for social media and blogs.** In fact, the average company increased their spending from 9% to 18% between 2009 and 2011.



The HubSpot report has many more important insights on acquisition rates and comparative data on various industries. Check it out [here](#).

Social Media Spending Trending Up

64% of all marketers plan to increase their social media budget in 2011 according to [Target Marketing's Fifth Annual Media Usage Report](#). Email marketing is the only area where more marketers will increase their spending.

Email and social media are becoming rivals for acquiring new customers and customer retention:

- Email – 85% of marketers use it for acquisition; 90% for retention
- Social media – 75% use it for acquisition; 65% for retention

No-one belittles our current economic crisis. That's what makes these trends even more interesting.

In a day where many marketing budgets are frozen, **marketers are allocating an increasing portion of the pie to social media**. Some might say they are panning for gold, but I think the signs show that they've already found some gold.

Match Social Media Spending to Your Experience

All businesses should consider their social business maturity as they establish priorities and their social media budget. This is [Altimeter Group's](#) conclusion after conducting a [study](#) of 140 social media strategists at enterprise-level corporations (1000 employees or more).

While the data is derived from large companies, the principles recommended apply to businesses of all sizes. See which of the following strategies match your needs and priorities for 2011:

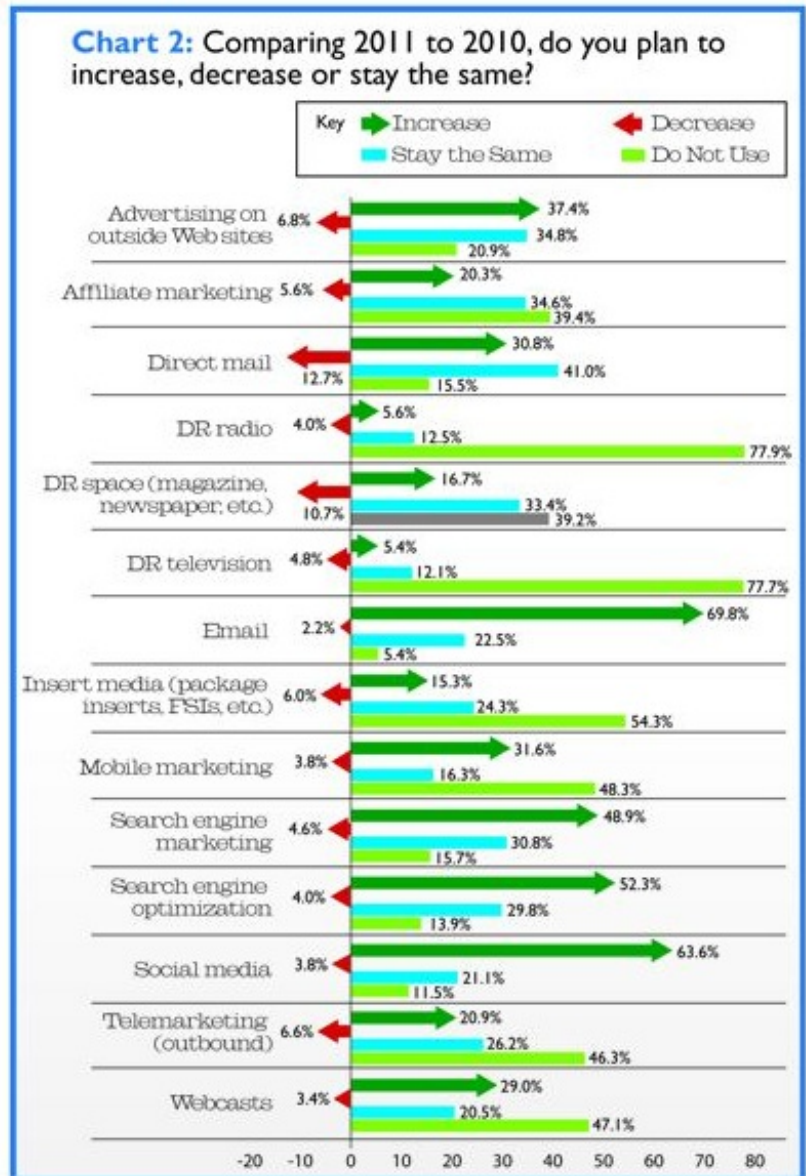


Figure 9: Match Your Spending Priorities to Your Social Business Maturity

	Novice	Intermediate	Advanced
Internal Priorities	Anoint an "Open Leader," the Social Strategist, to forge the program	Organize into a Hub and Spoke model to scale	Empower stakeholders (or Spokes) to deploy on their own
	Initiate an education program to train stakeholders	Launch a formalized "Center of Excellence"	Weave social business into standard employee education
	Create processes to hold internal stakeholders accountable	Leverage social graph in Ad and Marketing spend	Seek guidance from Boutique Agencies with specialized

	expertise		
Customer-Facing Priorities	Develop a rapid response team	Identify and empower influencers and customer advocates	Launch formalized Advocacy programs
	Work with existing agencies to deploy initial programs	Leverage the crowd by launching a Community Platform	Integrate social networks onto the corporate website
Technology Priorities	Invest in brand monitoring and appropriate workflows and processes	Invest in SMMS to manage increasing customer demands	Look ahead to Social CRM: Begin to aggregate disparate customer data

Source: Allimeter Group

What about you? How do these reports get you to look at your plans for 2011? How do your social media spending plans compare to these trends? Leave your comments in the box below.

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Phil Mershon is a strategic marketing consultant specializing in customized events, mission-driven campaigns and creative communication strategies. He is also director of summits for Social Media Examiner. **Other posts by [Phil Mershon](#)** »

