



SOCIAL MEDIA

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The Value of the Social Velocity Engine

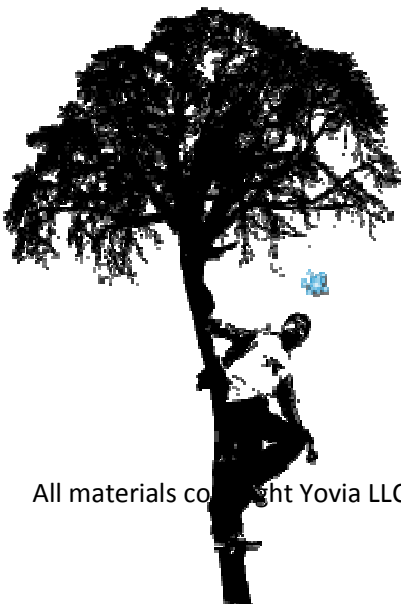
After years of studying the evolution of SEM (search engine marketing), researchers at Yovia found there's one differentiator that sets all other web-related factors apart. It's **motivation**, the outlier which sends results off the charts. Motivation is more important than anything else, and it's frequently powered by the advice and referrals of those we trust. With the power of referral, services and goods have a much higher rate of sale. Word of mouth is the way; if you can get people talking about your products or services, you're in an entirely different category from those using traditional marketing methods.



The evolution of social networks such as Facebook fueled society's thirst for conversation and raised awareness of the importance of social media in any marketplace. Unfortunately, though, most companies were keeping with the more traditional advertising method offered by Google AdWords, rather than taking advantage of the social media opportunity. To better quantify this opportunity, Yovia founders performed a year-long study which challenged the investment most companies make in Google advertising offerings. They proposed that for every dollar spent on Google Adwords, they could improve the results by at least 25% by blogging and talking about the products/services, essentially starting a conversation about the product or service offered.

At the end of the study, social media was 1,200% more effective than paid Google AdWords. Obviously, conversion goes through the roof if the social media strategy is conducted correctly. The model of traditional advertising is linear, meaning that the return on investment increases only as the ad spending increases, and that the return falls off if the ad spending stops. The Social Velocity model, on the other hand, enables organic growth, meaning that the campaign "grows legs" and spreads on its own ("goes viral") via the power of communities and conversations even after the initial ad spend drops off. This is the definition of Social Velocity™, and it's the basis of the **Social Velocity Engine**.

The biggest mistake companies make when they first venture into social media is to try and build a community around their offering. They instinctively log onto Twitter and post their sales message, much as one might post a banner ad, billboard or Google AdWords campaign. It's a one-way style of marketing that doesn't engage the consumer. No one follows nor cares about a topic



unless the content is relevant. How many people are taking an interest, and does the topic provoke a discussion, which is at the heart of the online community's real value? For an example of two-way, conversational marketing, look at blog posts to see how many of them have comments on them. Blogs with comments typically cover topics which interest the community around them, and readers contribute their own thoughts and opinions to the mix. There's two-way communication. It's a real discussion.

Connections are also important. The more connections or clients a company has in their distribution channel, the easier it is to make the Social Velocity Engine work for them. Some clients have a lot of connections, but they may not be quality ones. Look at Myspace vs. Facebook as an example: Myspace continues to have more connections overall, but the quality is much lower by comparison. Connections on Myspace may not actually know or trust one another, making the community weak and less effective. Because of the better quality of its connections, Facebook has a competitive edge. Twitter, meanwhile, is an evolution of social networking that is still developing its impact on the marketplace. Each social networking site has a curve and each shows value in different capacities.

It's no longer the aim of companies to drive their SEM numbers up to the highest level; rather, the aim is to get **quality** leads in the door. In today's online world of discussion and referral as motivation, companies can engage a pre-existing, growing and credible social community for their own benefit now, or their competitors can.

