



WHITE PAPER

# 8 Social Media Tips for the Retail Industry

A Hootsuite White Paper

**Hootsuite**<sup>™</sup>

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The retail industry has consistently been a frontrunner in terms of the adoption of social technologies. Inspired by the success of online retailers like eBay and Amazon, traditional retailers have demonstrated a degree of openness towards new technologies, social media included, that is rivaled by very few industries. But that gap is closing.

Understanding the new path to purchase allows marketers to improve communication strategies that target consumers at the right time, in the right place and with the right message. Retailers are realizing they have an opportunity to engage shoppers at every touchpoint — at home, on the go, and in store, especially via smartphones.

According to a [McKinsey Global Institute Study](#), 85 percent of consumer and retail companies are using social technologies for marketing compared to 66 percent of companies in other industries. This distinction is far less significant in other areas. Gaps of 10 percent and 5 percent separate retailers from other industries in terms of sales and services respectively. In product management, Human Resources and internal applications, consumer and retail sectors actually lag behind other industries.

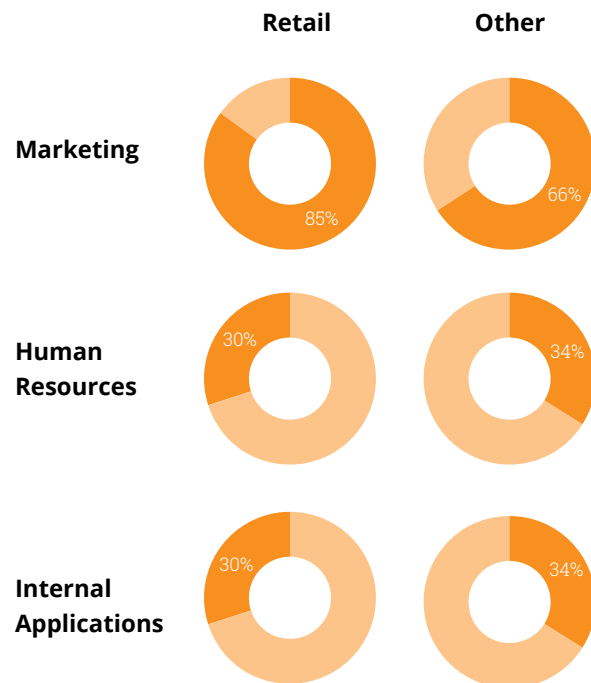
Clearly, many retailers have locked themselves into the position that social media is mainly a marketing and sales tool. It is still widely seen as a channel to be used for pushing advertisements and linking back to online stores. In reality, the social space offers retailers much greater opportunities for building client relationships and generally improving workflow. Social media tools give retailers the opportunity to personalize the consumer-seller experience, removing the negative connotations associated with bottom lines and commissions.

The transparency and immediacy of social media are valued by consumers, and should thus be valued by retail businesses as well. "The customer is always right" may be a maxim of years past, but when 80 percent of internet users between the ages of 18 and 50 use social media, retailers need to accept that the right course of action is one that inevitably involves a social media strategy.

The same [McKinsey study](#) referenced above also notes that social technologies could create upwards of \$308 billion in annual value in the consumer packaged goods sector alone. Garnering that value is dependant on their adoption of social media to improve internal and external collaboration.

This paper outlines eight simple steps that will allow companies in the retail industry to build their strategies in order to best take advantage of the opportunities presented by social media in all facets of their business.

## Social Technologies Usage by Industry



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## Tip 1: Evaluate

It's time to ask yourself a few questions. First, where have you already or where do you plan to deploy social programs and against which goals? In either case, avoid considering social in a vacuum. Take the time to understand where it best fits your organization and how to integrate it into existing organizational and departmental goals. You're not reinventing wheels for social, just using it to make the ones you have turn faster.

Where will it allow you to reach the customers or stakeholders who most crave deeper, richer dialogue? Perhaps it's the marketing department, the traditional home of social media in business, and especially in retail, but that's not a given. Perhaps social media is the untapped resource HR requires? Maybe you're better to consider developing a robust internal social ecosystem, harnessing the power of inward-facing social before you look outward? How are you going to measure and quantify the success of social programs? Look beyond vanity metrics such as Likes and follows and try, for example, to find a [direct link between conversation and conversion](#). Focus on influence and analytics over inflating a group size or follower base.

What can you reasonably afford to dedicate to social in terms of time and tools? The allocation of human resources is far and away the most significant cost tied to social. What will your team(s) look like? Identify leadership within your organization or begin the hunt to find it from the outside. With your team(s) in place, educate and cross-train team members so that they can be rotated across different areas of specialization. Empower your people. We practice this at Hootsuite as a way of providing our people the ability to engage our customers multi-dimensionally rather than siloing expertise department to department.

Look for a reliable and scalable social tool that centralizes control over your social platforms and puts the power to listen, engage, collaborate and analyze in the hands of your do-ers, practitioners and experts. Make decisions about which platforms you will be active on or where you may need to consolidate existing accounts. Observe the largest organizations in the retail industry and learn from their successes and mistakes. Engage them in conversation about the future of social in your industry. Look deeper than the usual social suspects like Facebook and Twitter to other platforms like Quora where you may have existing communities of powerful unpaid social advocates already at work on your behalf.

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## Tip 2: Listen & Learn

As a retailer, every new product, service, store and sale you have is likely being discussed and shared on social media. For many retailers this is a source of uneasiness. They dread being the next company to make headlines for a blunder or bad product that took off as a result of Twitter or Facebook discussions. But this ignores the real data-gathering potential offered by these networks. Social media is flexible and listening to consumers as they voice their opinion is the best way to learn and improve. It is also an easy way for a business to ease itself into the social space, and a prerequisite for meaningful engagement.

Good practices begin with monitoring for social mentions of your organization — the good, the bad and the ugly — across multiple social networks. Hootsuite monitors for off- as well as on-brand messages in order to assist users who may not spell Hootsuite correctly 100 percent of the time. Your firm can also listen to what's being said about your competitors. Often this data can be just as useful in discovering what drives customer decisions. Listen methodically. Use a social media management system to categorize the messages you hear about your own company and your competitors. A sporting goods retailer, for example, may want to tag references to specific sports, local sporting competitions, the types of equipment and brands they sell, or even the term “sports” in general. Think about what you can do to ensure that information from social networks actually makes it to relevant locations or lines of business within your organization. When you implement procedures for internal distribution of social intelligence, your organization will be listening, not just hearing.

Where focus groups were once the best barometer of a campaign's likely success or failure, social media is now a far greater indicator to this end. A clothing store can track the sentiment surrounding its new line in order to decide what pieces to feature on their online store and which clothes to offer discounts on. A sporting goods retailer can launch a Twitter campaign promoting winter sports equipment and geo-target it to one city or state. If the campaign receives positive comments from followers, they can then launch it on a larger scale nationally, or internationally.

If your business is not being discussed in the social space, chances are that people are talking about your competition. Do not let your business fall behind. The advantage of social media is that the conversation is an open one and one that you can join, but only if you're listening. When you feel comfortable, you can enter that conversation and reach out to the consumers who are already active in social media and may have an interest in what you're selling.

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## Tip 3: Engage to Build Community

A [survey of 6,000 US consumers](#) found that while price is the leading factor in deciding where they shop, it only represents 24 percent of what they consider. The second most important factors are experience, including how easy or convenient it is to shop at a particular retailer, and trust, at 17 percent each. Shoppers are more likely to buy from a business that they know and trust. For this, social media should be a tool of choice.

While each brand will have its own communication style, there is a right way and a wrong. Twitter and Facebook users value immediacy; more than half of them expect a [response in less than two hours](#). The most important thing you can do is to acknowledge the voice of the customer, really hear and respect what they are saying. If what you're hearing is a complaint, let them know a resolution is being sought, then follow through on that resolution to the best of your organization's ability. Once again, don't consider social in a vacuum. Integrate your response with existing channels and let the most appropriate channel lead the way to resolution.

Listen and pick your moments. If sales are your immediate priority, nurture potential leads with relevant and helpful content. Make sales through engagement. The age-old sales maxim, "make a friend first, a sale second" still applies to social, only even more so due to social's ability to amplify positive, or negative, experiences.

Give advice. [Warby Parker](#), a popular online glasses retailer, lets their product speak for itself while they speak to customers about issues other than sales. Their social media team can be found on Twitter giving feedback to customers on which pair of glasses they might look better in, or complimenting them on their new look post-purchase. Warby Parker also posts multiple videos per day through their [@WarbyParkerHelp](#) account in which a representative answers any questions consumers on Twitter have directed towards the company. In doing so, Warby Parker has built a very active community of online consumers and advocates.

Perks don't hurt. As mentioned above, 61 percent of consumers use social to look for discounts. Social is obviously a great way to highlight promotions and deals, but make them appropriate and relevant to your brand. For example, why would a bakery give away an iPad? Promotions of this kind are common and can build vanity metrics such as Likes or Follows, but those need to be balanced with engagement. How engaged are iPad fans with bakeries? Fans of customized cakes are much more likely to be highly engaged and even influential to a fledgling bakery. Fewer more influential followers trump hordes of deal hunters every time. With Hootsuite's custom URL parameters, a bakery could track conversions arising directly from their posts to Twitter, Facebook or LinkedIn, and put that iPad to use around the office.

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## Tip 4: Organize

While you want to centralize control over your social platforms with a social tool like a dashboard, you want to decentralize the conversations you have over them. To do that, you need to empower your practitioners and teams to engage your customers in conversation directly. Imagine the opposite of the hub and spoke model — fully distributed content creation arising from each point of contact independently.

General Motors is a global company, with brands in more than 120 countries, over 202,000 employees and 158 facilities. GM wanted to use social media to gain customers and increase brand loyalty, while keeping consistent in their messaging. According to an [Altimeter case study](#), the company recognized the need to move “from an uncoordinated approach to an integrated social plan, with cross-departmental participation and coordinated listening, engagement, key performance indicators, and measurement.” In doing so, GM went from having between 10 and 15 people responsible for social media to having over 150 employees posting to social as part of their job. There are now GM social media hubs in 40 countries and 113 corporate-approved social assets on Facebook, Twitter, RenRen, Weibo, and many more channels.

Transferring knowledge and best practices from digital leaders to team members further educates and empowers your social team to contribute to the conversation. Should the need or the desire to scale your social program arise, you have trained your next generation of social leadership. Your social tools should also be able to grow along with you, enabling growth by being modular and flexible to facilitate even further decentralization, expansion, and conversation.

## Tip 5: Collaborate & Educate

Share learning internally. Encourage your social teams to distribute new learning both within the Team and your organization as a whole. Keep an ongoing loop of discovery and dissemination where best practices, positive messaging or common questions are put forward for comment or collaboration. Hootsuite Conversations is an internal social platform and an exceptional tool for supporting secure internal conversation and the exchange of ideas. Ultimately, better internal collaboration supports improved external engagement, keeping messaging consistent, intelligent and brand-appropriate.

Of course, platforms and policies only exist to enable people. Think about how well your organization is educating its practitioners and other employees in the correct use of social media. If your training program is in need of improvement, start small by working with your existing social teams to find out which on-boarding, coaching and monitoring practices work — and which don't. Your digital leadership can foster sharing of best practices and begin educating practitioners in other departments or regions. As you standardize your education program, consider external certification programs like [Hootsuite University](#). When a formal system for ongoing social media training comes together, your firm can scale up its social activities more rapidly.

The imperative for social media education extends all the way to the C-suite. In 2012 Gene Morphis, the CFO of clothing retailer Francesca's carelessly revealed non-public information in a Tweet from his personal account: “Board meeting. Good numbers = Happy Board.” Although his Twitter page was public, the SEC took the position that his message provided his 238 followers with insider information. He was quickly fired for “improperly communicating company information through social media.” Had Morphis received even basic training on compliance, his active use of Twitter would have been an asset to his company, not a liability. Educated executives can become brand ambassadors on public networks and high profile leaders of internal social initiatives, as well.

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## Tip 6: Secure

As previously mentioned, the uneasiness associated with the potential of making a social media blunder and ending up in the headlines remains present in many retailers. It is a main reason that social media is often left to one responsible person, rather than spread amongst advocates throughout your business.

Fear over losing control is an understandable barrier to implementing social media across an organization. It is important to note that mistakes are preventable. While perhaps confusing personal and branded accounts, an employee of a leading car retailer tweeted using questionable language to comment on the driving abilities of others. More recently, an employee at a music retailer put in charge of social media ended up live-tweeting layoffs and criticizing the company from their own Twitter account. No matter how well these companies handled the mishaps, why not stop them before they occur?

Hootsuite developed Secure Profiles specifically in response to instances like these to put a solid measure of prevention in place. This provides an extra prompt when publishing to important branded accounts, preventing errant posts intended for personal accounts.

Limited Permissions is another unique security feature. Hootsuite offers multiple levels of account access and places limits on which team members can participate in outbound social conversation directly. The Limited Permissions puts control over publishing firmly in the hands of those who are most trusted. Your social tools should too. Team members are also easily added and removed as organizations expand and contract. Removal is instantaneous in the event that a team member isn't exiting on good terms. The now infamous @Marcjacobsintl intern meltdown, where CEO, Robert Duffy was described as a "tyrant" by an overworked intern, would have been prevented by using Hootsuite's Limited Permissions setting to limit his access to publish without approval.

## Tip 7: Measure ROI

It's important for social data to be relevant to stakeholders within an organization, but often they speak only to the practitioners. This makes it difficult to communicate value, or to make important decisions related to the use or investment in social media for the organization. It does not need to be so. Tie social to the big picture by linking it to organizational and departmental goals. Users can start with tracking Like, @mention, retweet or follow, but tap in to the power to go much further and deeper. Build the capacity for measurement into every social action.

Use URL shortener ow.ly links to track your click-throughs from social networks and integrate Hootsuite with Google Analytics and Webtrends to track on-site conversions. Tally the number of customer service interactions your organization conducts on social networks, and measure how many of them improve relationships or resolve problems. And don't restrict your measurement efforts to external networks. Gauge the activity of your employees on internal social networks, and link this data to business transactions and customer interactions where possible.



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## Tip 8: Amplify

Double down. One of the benefits of good measurement and understanding of your data is the ability to hone your messaging and understand what did and didn't work from a content perspective. When successful messaging emerges organically in social media, paid social allows you to commit dollars with data-backed belief in your programs. Invest in promoted tweets, accounts or trends across social platforms or accounts that have already demonstrated the highest yield. This can now be completed without leaving the Hootsuite dashboard as a result of our Twitter Promoted Products integration. Adopt social tools that allow you to scale your programs effectively across teams, departments, geographies and brands in order to build social media success into your strategy.

## Conclusion

With these eight tips, you're better positioned to go forward and succeed in social business, no matter what social maturity stage your company is at. With the next generation of consumers and employees adopting social as their media of choice, the future of retail and the future of social are inextricably linked. The time is now. One day, in the not-too-distant future, there will be no more social business. Social will simply be business, business will simply be social. Today you have eight more ways to get you there.

To find out more, visit [enterprise.hootsuite.com](https://enterprise.hootsuite.com)

# About Hootsuite Enterprise

Partner with Hootsuite to accelerate your social transformation



Hootsuite Enterprise empowers organizations to execute business strategies for the social media era. As the world's most widely used social relationship platform, Hootsuite Enterprise enables global businesses to scale social media activities across multiple teams, departments, and business units. Our versatile platform supports a thriving ecosystem of technology integrations, allowing businesses to extend social media into existing systems and programs.

We help organizations create deeper relationships with customers and draw meaningful insights from social media data. Innovating since day one, we continue to help businesses pioneer the social media landscape and accelerate their success through education and professional services.

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