



# THE IMPORTANCE OF BENCHMARKING

Social media has become an integral aspect of marketing departments for companies in a variety of industries throughout the world. Whether your company is looking to maximize brand awareness, increase demand generation, drive lead generation, or build customer relationships; social media is an economical solution for generating effective marketing outcomes.

Similar to all marketing campaigns, developing the foundation for a successful social media strategy is paramount for producing positive results. But how do you begin? What are the realistic goals you want to achieve with social media? What are the most important metrics for monitoring your social performance?



At Socialbakers, we believe it is crucial to set goals for your social media campaign and to compare your social performance to other businesses in your industry and region. For this reason, benchmarking your company's social performance is critical for leveraging your social media success.

This whitepaper will illustrate how to use benchmarking most effectively during all stages of your company's social media development. From drafting initial social media goals to executing a fully developed social media strategy, benchmarking your company to your industry is an integral aspect of understanding your social performance.

## What this whitepaper contains

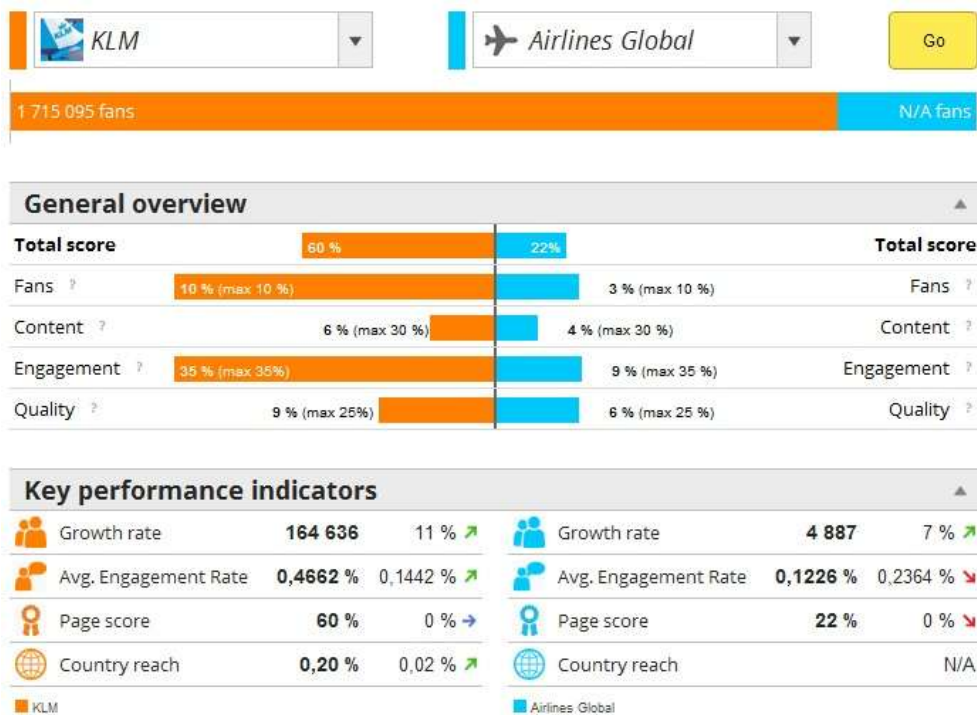
This report contains information on different values of performance benchmarking. We show how performance benchmarking helps you keep up with rapid industry changes and allows you to leverage social media for competitive insights and customer service purposes. In addition, this report contains tips on the relationship between benchmarking and regionalization.

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## GETTING STARTED

Once you have decided that it is time for your brand to actively participate in social media, it is important to set realistic goals for how you want your company to perform socially. At this point it is important to benchmark different competitors social performance to your industry. By understanding how your competitors are performing compared to industry standards, you will learn what goals are realistic for your social media efforts. Moreover, this analysis will provide valuable insight as to what your competitors are lacking in their social campaigns and you can determine how to outperform them in certain aspects of social media marketing.



When determining your initial social media strategy it is also important to benchmark competitor performance to your industry in your region. At Socialbakers, we firmly believe this “regionalization” process is an elemental step in creating your social media strategy. Regionalization is important because far too many regional brands are comparing their own social performance to their global industry, when in reality they are not competing with many of these international brands. For this reason, when determining your social media strategy it is critical to analyze your industries regional performance, in order to gain more relevant insight and to set more realistic goals.

✔ **SOCIALBAKERS TIP** – When benchmarking competitors’ performance to your industry, make sure to closely analyze fan engagement rates and response rates. When initially developing a social media strategy, many brands focus solely on executing campaigns to increase fan growth. Although fan growth is definitely important, maintaining high levels of engagement rates and responding to your existing fans is a critical aspect of social marketing.

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## BENCHMARKING: EXECUTING YOUR SOCIAL MEDIA STRATEGY

Once you have a fully developed social media strategy which you are executing in style, it is still essential to utilize the benchmarking tool to enhance your social media results. By regularly benchmarking your social performance to your industry and region you can gain valuable insight about industry changes in social media and the existence of new social media “players” in your industry.



Dr Pepper UK

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**Dr Pepper UK**  
604 921 fans

Monitored since:  
Jul 12, 2012

Last data update on:  
Jul 12, 2012

Timezone  
GMT +1

Number of tabs  
2

<http://www.facebook.com/drpepperuk>

### INDUSTRY CHANGES

Discerning changes in your industry is difficult. Anticipating changes in your industry is even harder. However, in today's world adapting and anticipating changes in consumer needs is a critical element of business. The good news is that successfully using social media and benchmarking your brand to competitors and industry can alleviate many of these difficulties.

As time progresses, benchmarking your social performance to your competitors offers an overview of how your social media performance is developing in comparison to your industry. When analyzing the progression of your social performance, it is critical to evaluate the metrics which your brand is superior and inferior to industry standards. For the metrics in which your brand is performing below industry standards (with the exception of absolute fans), you should closely monitor competitors that are performing well in these categories. Not only will benchmarking your company to your industry increase your social performance, but it will also provide valuable insight as to how your industry is becoming more, the same or less active on social media.

Amongst other things, social listening is an integral tool for understanding the social landscape of your industry and receiving customer feedback. When using a social listening tool it is important to monitor two key metrics; the volume of mentions and the sentiment surrounding your brand or products. By benchmarking your brand to your industry with social listening, you can determine whether your brand is performing below or above industry standards in social media. Furthermore, if a certain competitor is receiving a high volume of mentions with positive sentiment in comparison to the industry average, you can deduce that this competitor is posting highly engaging content. Thus signifying that you should attempt to emulate the content they are posting.

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## NEW SOCIAL MEDIA PLAYERS

The world of social media is empowering and moves at a fast pace. In the pre-social world, smaller brands struggled with gaining large marketing attention because traditional methods of advertising and marketing are expensive. However, this is no longer the case as smaller brands have become empowered to organically develop large social media campaigns using guerilla marketing tactics in place of large advertising funds. What does this signify for marketing department of small to large brands?



If you are a small brand then social media is one of your best tools in your marketing toolbox. Throughout all stages of development you should be benchmarking your performance to your competitors, industry and region. Why? The answer is simple - to gain knowledge about what other brands in your industry are successfully accomplishing with social media and where they are failing to captivate their audience. With this knowledge, you are fully equipped to develop innovative campaigns focused on increasing fan growth and engagement rates rapidly. The result - successful marketing campaigns which can potentially reach a larger and more captivated audience than costly traditional marketing methods.

If you are a large brand then benchmarking your performance to competitors and industry is important for two main reasons. Foremost, benchmarking allows you to see if you are performing above or below industry standards and to gain competitive insights about what other large competitors are achieving via social media. Secondly, if you are under-performing in a certain aspect of social media marketing it is often useful to see how a smaller competitor is achieving high levels of success for this metric. For example, often smaller brands generate more highly engaging content because social media is such an integral aspect of their marketing campaigns. Therefore, monitoring these smaller brands may provide helpful recommendations on how to improve your content to generate higher engagement rates.

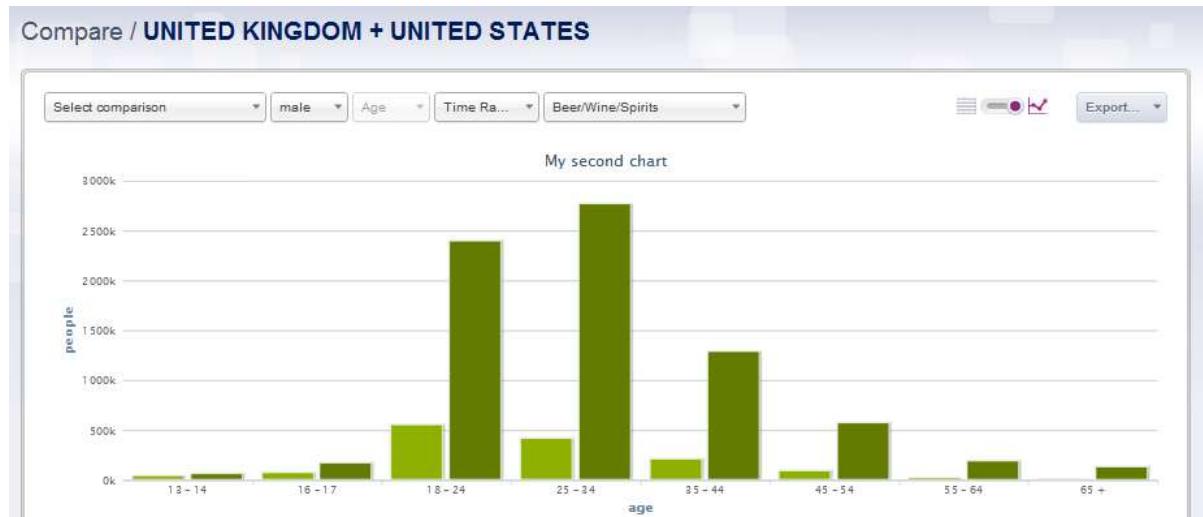
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## REGIONALIZATION

One of the most common mistakes that decreases social media engagement and affects brands losing relevance with their target audience is the lack of regionalizing their content. Marketers must understand their audience and cater to their specific needs in order to maximize social media effectiveness.



How will an audience differ in Germany from an audience in France? What type of content should be used to increase engagement amongst consumers that are primarily using mobile devices? Marketers must understand how their audience differs by region, age, demographic or even buying habits, and must implement social tactics and strategies accordingly.

For multinational companies, macro level analysis of social media behavior is something that should definitely be studied. Just as consumer actions are dissimilar in different markets throughout the world, the levels of engagement or popular trends on social media vary from country to country. Why is this analysis important? Multinational companies need to adjust their social media strategies to fit the needs of social media users in each country.

## TAKEWAY

For all aspects of marketing, competitive and industry analysis is critical for understanding the most effective methods of reaching your audience. Social media is no different, and moreover, it is one of the most economical and efficient ways to compare your marketing performance to your competition, industry or vertical.

By properly using social media benchmarking, your company can contextualize the metrics surrounding your social performance. By comparing your social media performance to your competitors or industry, you will learn critical information about how to increase the quality of your own content, drive your social engagement, foster customer relationships and much more! Begin benchmarking your social performance today!

**Further questions? Please do not hesitate to contact us! You can reach our Social Media Expert team at [experts@socialbakers.com](mailto:experts@socialbakers.com)**

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