

Integrating Social Media into Your Business Plan



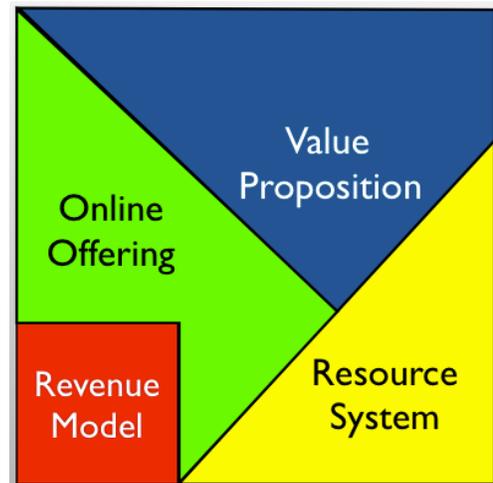
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Online Business Model

An **online business model** consists of four parts:

- Value proposition - what customers see as valuable to them
- Online offering - the good, service or information on offer
- Resource system - internal and external resources needed to deliver
- Revenue model - how to make money



There are many different **revenue models** which

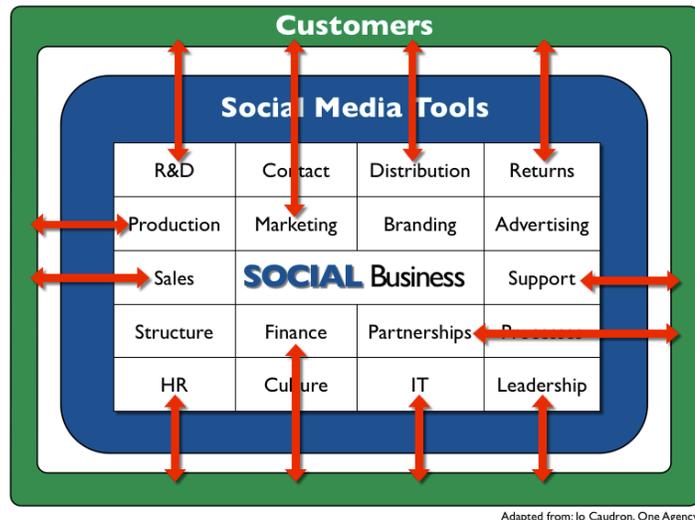
can be used in an online business including:

manufacturer, merchant, advertising, subscription, subsidy and utility. All of these can add *differentiators* to set them apart from similar offerings:

- Personalized - presented just the way I specify
- Customized - presented according to what others know about me
- Freshness - offerings which are older or newer
- Price point - hitting a specific price in the market
- Quality - perceived as better or worse than others
- Assortment - focusing on few or many

Run a Social Business

When you think about your business in terms of a complete online business model with a value proposition, online offering, resource system and revenue model, using social media becomes more apparent. You need to use social media in every part of your business to become a **social business**.



Social Media Plan

Here is an outline for a plan to add social media to your business. It is based on using *portfolio management*, the same method that venture capitalists use to build their portfolio of investment companies. A venture capitalist will invest in a number of small companies, seeing which ones work and putting additional time and effort into them. They know that many others will not work, and they will shut these down in a structured manner.

Throughout the plan keep a few basic principles in mind:

- Use simple rules to decide what works and what does not work.
- Keep your efforts focused on your business.
- Be flexible, the online world changes constantly.

Pick the Best Social Media... for You

Selection. Your goal is to find the social media places where the people you want to reach are hanging out. Some will be harder to find and reach than others. There are many different types of social media sites and services. Pick the ones that have the best promise, and plan small trials with each.

Monitor. For each social media site, begin to watch and monitor what goes on. You do not want to barge in. This may take some time, depending on the group and its practices, each will be different.

Begin to Participate. Once you understand the group, you can begin to participate. If you have friends or colleagues in the group, ask them to introduce you around.

Commit to Participate

Decide which social media sites seem the best for you and make the commitment to participate fully in them. Set up an account for your business:

- Design the account to attract your target audiences.
- Contribute useful information on a regular basis.
- Demonstrate your competence, expertise and value.

Exploit the Successes

Set up realistic goals to measure your success. You can use both qualitative and quantitative measures, keeping them simple and flexible. For the social media sites which are bringing results, put more resources into them.

Have an Exit Plan

You will not be successful on every social media site. It is OK to leave them, but withdraw gracefully, you never know when you might want to come back.

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