

New research reveals only one in ten UK organisations have a dedicated social media budget

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London, 16 October 2009 – Just over one in three (35%) UK organisations believe that the impact of social media is now just as, or more important than traditional media, according to a study carried out by PR consultancy, Portfolio Communications (<http://www.portfoliocomms.com/main.html>). Despite this, around 90% of organisations are still working without allocating a budget to a dedicated social media programme (http://www.portfoliocomms.com/reputation_management.html), though 31% plan to do so within the next six months.

These findings represent both an opportunity and a threat for the PR industry. Whereas PR professionals can easily implement emerging tools and technologies to extend their existing communications channels, much of the industry remains so deeply rooted in the ways of traditional media that it is likely to find it difficult to embrace the changes necessary to address social media.

Jonathan Bawden, senior account manager at Portfolio, says: “Given the findings it seems extraordinary that only 10% of organisations have an allocated budget for a social media programme in place. The fact that one in three (31%) plan to do so by early 2010 is encouraging but this remains a low figure. This highlights the problem of how organisations are going to fund social media programmes without ‘stealing’ budget from other areas, such as traditional PR and advertising campaigns. Already, we have come across organisations that have appointed social media programme managers without any budget to support them.

“Not only does this illustrate weak leadership in the ‘we have to do something to tackle social media, but don’t quite know what’ mould, it also encourages budget-holding PR, advertising and other marketing departments to defend their empires. Such a position can be hugely damaging, creating ‘silos’ that work against the very integration of expertise and resources that organisations need to generate competitive advantage as they – and the wider economy – fight to come out of recession.”

Another significant finding from the study is that just 29% of organisations currently make use of external blogs, and only 25% make use of Twitter, despite the major benefits these media can deliver at relatively low cost.

Bawden continues: “While it takes considerable effort and is time-consuming for an organisation to run its own blog, it is possible to make use of this powerful social medium by contributing to relevant ‘external’ blogs, ie blogs run by others. Indeed, the majority of bloggers welcome such contributions as they can add significant value and credibility.

“The same is true for other social media tools. Generating the information to make a corporate Twitter account worth following can be surprisingly time-consuming, even if generating the actual tweets themselves is not. However, it is possible to contribute to social media by pointing to research, market reports, case studies and opinion pieces that can add significant value to a debate while taking remarkably little time to execute.”

Last but not least, the research study reveals that many organisations are paying lip-service to the importance of monitoring and analysing social media while doing nothing about it. Bawden concludes: "Some of this difference can be explained by many organisations recognising the importance of social media monitoring and analysis, but without having the budget to do anything about it. However, the powerful influence of social media and the speed with which information propagates and grows means that the importance of monitoring and analysing it should never be under-estimated."

Ends

The study, 'The Impact of Social Media on PR and Marketing', was conducted during the summer of 2009 among UK organisations. A total of 65 organisations completed the study covering a range of sizes and sectors. Full details are available at: <http://www.portfoliocomms.com/downloads.html>
(<http://www.portfoliocomms.com/downloads.html>)

About Portfolio

Portfolio Communications is a highly experienced marketing communication and PR consultancy, which recognises the value and importance of social media integrated as part of the communication mix. We specialise in business-to-business and business-to-consumer campaigns (B2B and B2C) that help clients to achieve their goals. Portfolio works across technology, business, industry, consumer, environment, not-for-profit and public sectors. Visit our website at www.portfoliocomms.com

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