



From Insights to Action

How Asia Pacific organisations are unlocking the ROI of social media

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Executive summary

Key findings among digital leaders across Asia Pacific
(Australia and Singapore):



87%

of companies in APAC track and measure the effectiveness of social media against defined goals



But only

26%

of organisations in APAC tie their social metrics back to business priorities



51%

of digital experts and marketers in APAC think their organisation lacks the skills to work with social data sets

Lack of established KPIs
is a key barrier to measuring social success

Methodology

Hootsuite commissioned Altimeter, a Prophet company, to conduct research and examine sentiment on social ROI, using a combination of survey and secondary sources on social and digital practices.

The study was conducted during Q2 of 2017 on 404 executives, social strategists, digital strategists, and marketers at business-to-business (B2B), business-to-consumer (B2C), and mixed B2B/B2C companies with more than 1,000 employees in Australia, Singapore, the United States, and the United Kingdom.

Half of the respondents were from Australia and Singapore, and more than half of these were director level. Survey respondents were sourced from a comprehensive database of senior leaders, business professionals, thought leaders, and C-level executives responsible for marketing and social media programs within their organisations.

Survey sample



404 decision makers in the US, the UK, Singapore, and Australia



B2B and B2C companies with more than 1000 employees that use social media in their marketing and sales strategy



Director-level and above sales and marketing professionals (evenly split) with responsibility for sales and marketing technology decisions



Demographics

- 500 to 999 employees
- 1,000 to 4,999 employees
- 5,000 to 19,999 employees
- 20,000 and more employees

Introduction

In the past decade, social media has revolutionised businesses in a way that is only comparable to the monumental influence of the internet itself.

Consumers are on social media all the time—during commutes, in the check-out aisle, at dinner—and they're using it to learn, seek, discover and decide. For their part, organisations are using social media across the entire customer journey: to drive brand awareness, nurture relationships with prospects and customers, and improve customer service and experience.

Still, most companies are only measuring impact at the early stages of the customer journey because they're uncertain about the value social can drive at the acquisition stage and across the enterprise. This means organisations are not getting an accurate picture of the performance of their social investments, which in turn impacts how they set budgets and priorities.

Social media can be a powerful business tool that drives real business results. Social data can help organisations gain insights into consumers, improve customer experiences, increase sales, and boost innovation. But to fully realise social media's value, organisations need to rethink how and what they are measuring and correlate it back to business objectives.

This report presents findings on how organisations in Asia Pacific are successfully measuring their social media efforts, and tying them to the bottom line. Where there are challenges, this paper identifies necessary organisational shifts, along with actionable best practices to start measuring—and proving—the value of your social media investments.



State of social ROI

Examining measurement appetites in Asia Pacific

Consumers in Asia Pacific¹ are avid social media users, more so than anywhere else in the world. People across the region consume 4.12 billion gigabytes of data each month on mobile, compared to the 1.83 billion gigabytes consumed in North America.

Yet a look at the way businesses are tracking and measuring social media efforts shows that companies in Asia Pacific are falling behind their peers in the US and UK.

In Singapore and Australia, although brand reputation is a top priority, only 29 percent and 38 percent of companies, respectively, have established KPIs to measure it. The figure is 58 percent and 53 percent in the UK and US, respectively.²

There are other disparities in measurement appetites between the regions. **More than 50 percent of business leaders in the US and**

UK have established KPIs linking social media to sales, whereas in Asia Pacific this figure sits at 38 percent.

Similarly, where 54 percent of US and UK companies have KPIs linking social to customer experience and engagement, only 41 percent of APAC companies are linking these efforts to outcomes.

Much of this misalignment is due to organisational barriers. Respondents cite the **lack of technology tools, resources, and a clear understanding about the impact of social beyond the marketing function** as key impediments.

Employee training and education on effectively using social media across the organisation are key to addressing this challenge.

Only

38%

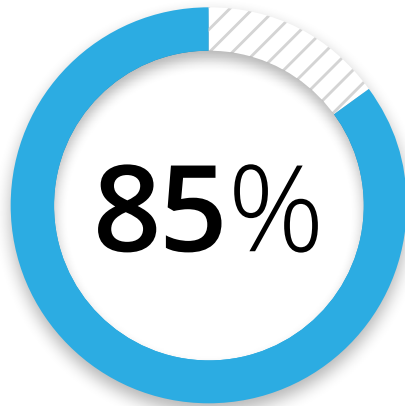


of business leaders in Asia Pacific have established KPIs linking social media to sales

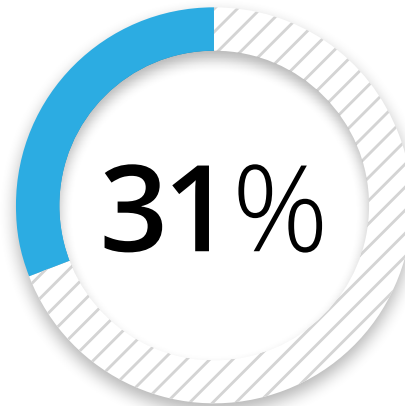
Key barriers to measuring social ROI:

- Lack of technology tools and resources
- Clear understanding about the impact of social beyond marketing

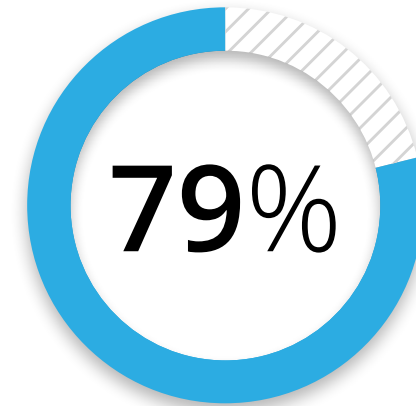
The knowledge and data divide



of organisations in Asia Pacific cite social media is an important marketing channel



of marketing leaders in Singapore and 18% in Australia don't know how to calculate social ROI



of business leaders say insights from social media go beyond the marketing team—yet the data often is not available to teams outside of marketing

Access and visibility first

There's no shortage of metrics and tools to measure social media success. Yet that's exactly what organisations in Asia Pacific are struggling with.

In Singapore, 31 percent simply aren't sure how to calculate social ROI, compared to 16 percent and 24 percent in the United Kingdom and the United States, respectively. While knowledge is less of an issue **in Australia, 28 percent of executives are slowed down by technology tools that don't meet their needs.**

Additionally, one of the biggest advantages of social media is the availability of data and actionable insights that are imperative for business success. But the advantage stops there if organisations don't have access to the right information, or simply don't know what to do with the information.

Our study found real disparity in data visibility across different teams. For example, social data is "highly visible" to 63 percent of marketing teams across Singapore and Australia, while the figure hovers around one-third for product development and sales teams.



28%

of executives in Australia are slowed down by technology tools that don't meet their needs when it comes to measuring social ROI



31%

of organisations in Singapore don't know how to calculate social ROI

Bridging the measurement gap

Despite the confusion about priorities and metrics, brands acknowledge social media's significance to overall business performance.

Across Asia Pacific, a majority (87 percent) of companies are already tracking and measuring the effectiveness of social against defined goals. In almost every area polled—from revenue generation to improving customer experiences and preferences—respondents believe social media will contribute to improving business.

This marks a definitive opportunity for organisations to pull social media out of its marketing silo to align success metrics to every stage of the customer journey—from awareness through to acquisition.



87%

of companies in Asia Pacific are measuring social media against defined goals

“ ROI is one of those terms that risks losing its meaning through misuse. ROI should always measure the specific contribution that your activities make to your organisation's overall success—and to your brand's bottom-line value.

In order for social media activities to add that value, you need to craft content and manage conversations in ways that actively address your organisation's specific needs.



Simon Kemp,
Founder & CEO,
Kepios

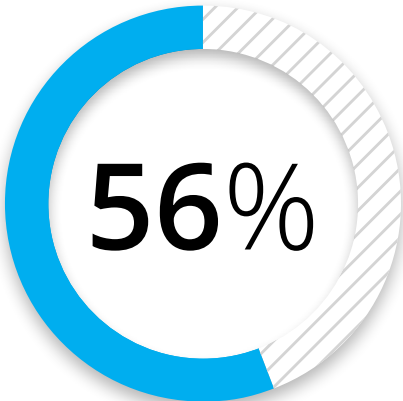


Organisations across Asia Pacific understand that social media presents an opportunity to drive business results.

Now it's time to identify the organisational shifts that will help you align social media with your strategic company goals and realise the full value of social.

Unlock the value of social across the organisation

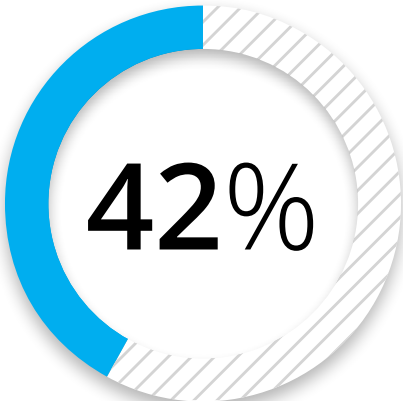
According to respondents in Australia and Singapore, some of the biggest benefits of social data fall outside marketing:



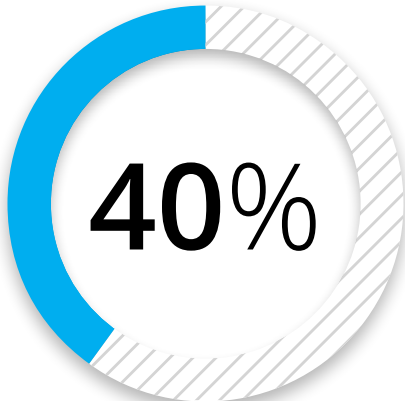
Better insight into customers



Faster decision-making



Identify new market opportunities



Surfaces unexpected risks

Insights at every stage of the customer journey

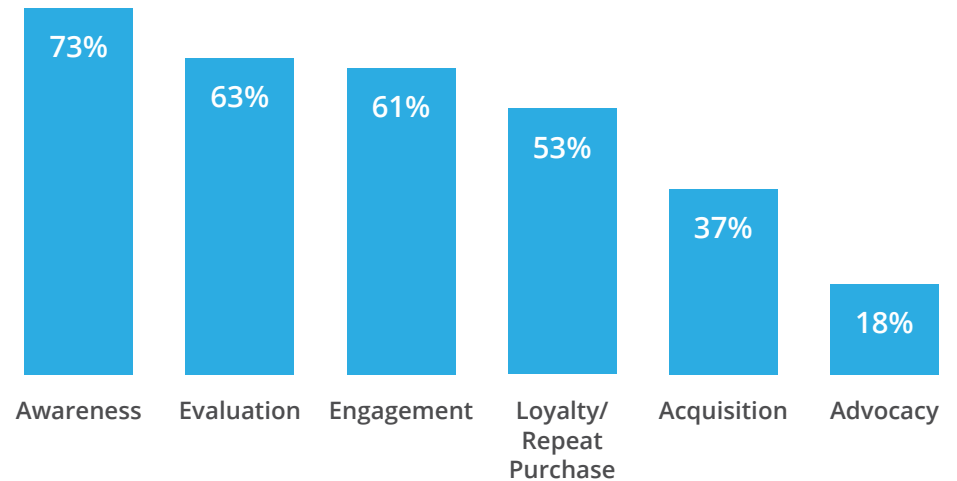
There is no shortage of data to measure. Yet judging social data by metrics that don't correlate to business goals—for example, reach or retweets—ignores the real insights it can deliver to inform enterprise strategy.

Brands in APAC are just waking up to social data's potential beyond marketing. Fully **one-third of those polled in the region still don't understand where social media can impact their business**, although companies continue to see brand awareness and revenue generation as the two greatest opportunities.

Our survey revealed that global and APAC companies use social data at nearly every stage of the customer journey. Yet the majority are using social data at the top of the marketing funnel, while far fewer use it in later stages: **More than twice the number of companies measure the impact of social media at the awareness stage (73 percent) than at acquisition stage (37 percent)**. This limits organisations' ability to study the impact of social media on their bottom line.

Organisations can drive real business value by aligning measurement and success metrics to different stages of the customer journey. The first step is to identify which data are the most meaningful for your organisation to track, and use this data to inform key decisions and strategies.

Do you use social data to better understanding the customer journey at any of the following touch points?



1/3

of APAC organisations still don't understand where social media can impact their business

Select your social goals and track success

After you define which business objectives social data can help with, brands need to align their social goals and track progress accordingly.

Many companies are not quite there yet, using social metrics at odds with their overall business goals. **In APAC, only 26 percent said their social metrics tie back to business priorities.**

Most respondents said their social efforts were focused on engagement and customer experience. But only 46 percent are actually measuring engagement metrics such as likes and comments, and even fewer are measuring conversions (34 percent).

Survey results further indicate that firms lean on metrics and data that are easily available, rather than those aligned with business strategy. In Australia, over half (52 percent) said they used these metrics because they “are included in the social technologies we use”, while in Singapore the most common answer was because they are “standard metrics for measuring social”.

As the customer journey becomes increasingly digital and social, it's vital for organisations to measure metrics that map to goals along the customer journey—either by using different measurement tools and platforms, or collaborating with teams across the business.



Only
26% of APAC organisations said their social metrics tie back to business priorities.

Give teams greater visibility

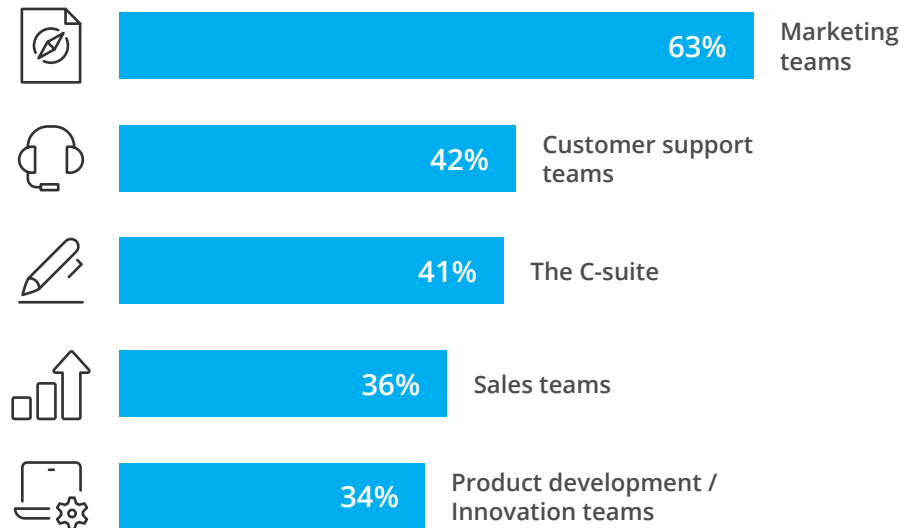
Teams across the business need access to the insights culled from social data if social is to help drive broader business objectives.

For example, according to our findings, more than half of sales teams in the US and UK said they leveraged such insights, in comparison to 36 percent in APAC.

The good news is that brands are aware of social media's potential. For example, some **84 percent of respondents to our survey in the US, UK, and APAC see a big opportunity to better leverage social to boost sales.**

The next step is turn this awareness into action. Organisations can use social to extract customer insights, ensure social data is shared across teams and departments, and make it actionable in multiple areas of the business.

Unseen insights: Teams that have access to social data



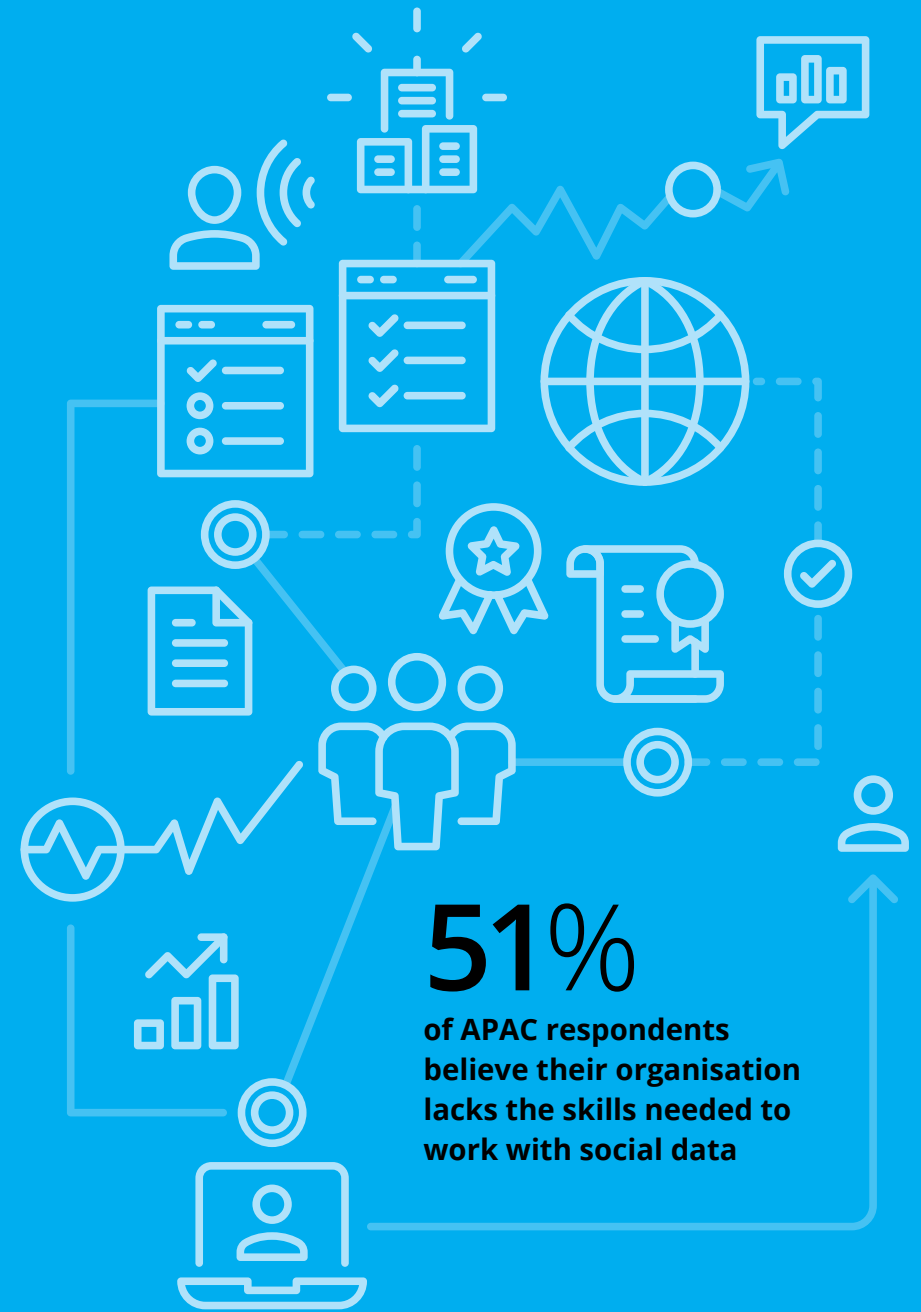
Train and empower your teams

Social data is big data. The high volume, velocity, and variety of numbers produced by social media is an opportunity to reap real-time and granular insights at scale. Yet while social data is widely available, the skills to derive insights from that data are scarce.

More than half of APAC respondents (51 percent) believe their organisation lacks the skills needed to work with social data sets. This challenge is a global one—figures from firms in the UK and US were only slightly lower at 42 percent and 41 percent, respectively.

Some metrics are more difficult to measure than others, such as the impact of social on customer churn, customer satisfaction, or employee engagement. But brands can make a start by setting clear data objectives, which will help guide teams to filter, sort, and analyse data—or look across the business for additional information.

Filling the skills gap could mean training employees or aligning with teams with similar goals and objectives. What's important is getting started down this path and setting your teams up for success.



Case studies

Organisations in Asia Pacific are embracing the value of social throughout the customer journey—and seeing the impact on the bottom line.

Here are some stories to inspire you to get started.



Converting consumers

This six-year-old Indonesian ecommerce company is beating off bigger rivals in the country through strategic use of social media marketing. In 2017, the company used ads on Facebook and Instagram to drive awareness of its new brand message: “Big choices, big deals”.

The company was also one of the first ecommerce brands to use Instagram ads in stories to advertise promotional offers and deals, which led to improved recall and higher conversions. The company's bet on social has paid off: The social campaigns contributed to a 20 percent lift in overall brand metrics.



20%

lift in overall brand metrics



Outrageous sales

In Australia, sweets manufacturer Mars Inc. used social data in 2017 to whet consumers' appetite for its Snickers chocolate bar and drive sales.

Based on the premise that a sugar-low diet makes people cranky, the brand built a hunger algorithm ('Hungerithm') that monitored mood online by analysing 14,000 social posts a day across Facebook, Twitter, and YouTube. The firm linked people's irritability—as measured by social media conversations—with the price of a Snickers bar at every 7-Eleven in Australia. The angrier the internet got, the cheaper Snickers became.

The company even sent vouchers to consumers' mobiles at moments likely to induce anger, such as during bad weather or traffic jams, directing them to their nearest 7-Eleven store.

The campaign hit the digital sweet spot. Snickers sales leapt 67 percent, the company saw a 15 percent increase in year-on-year sales at 7-Eleven stores, and [Facebook traffic](#) shot up by 1,740 percent.³



67%

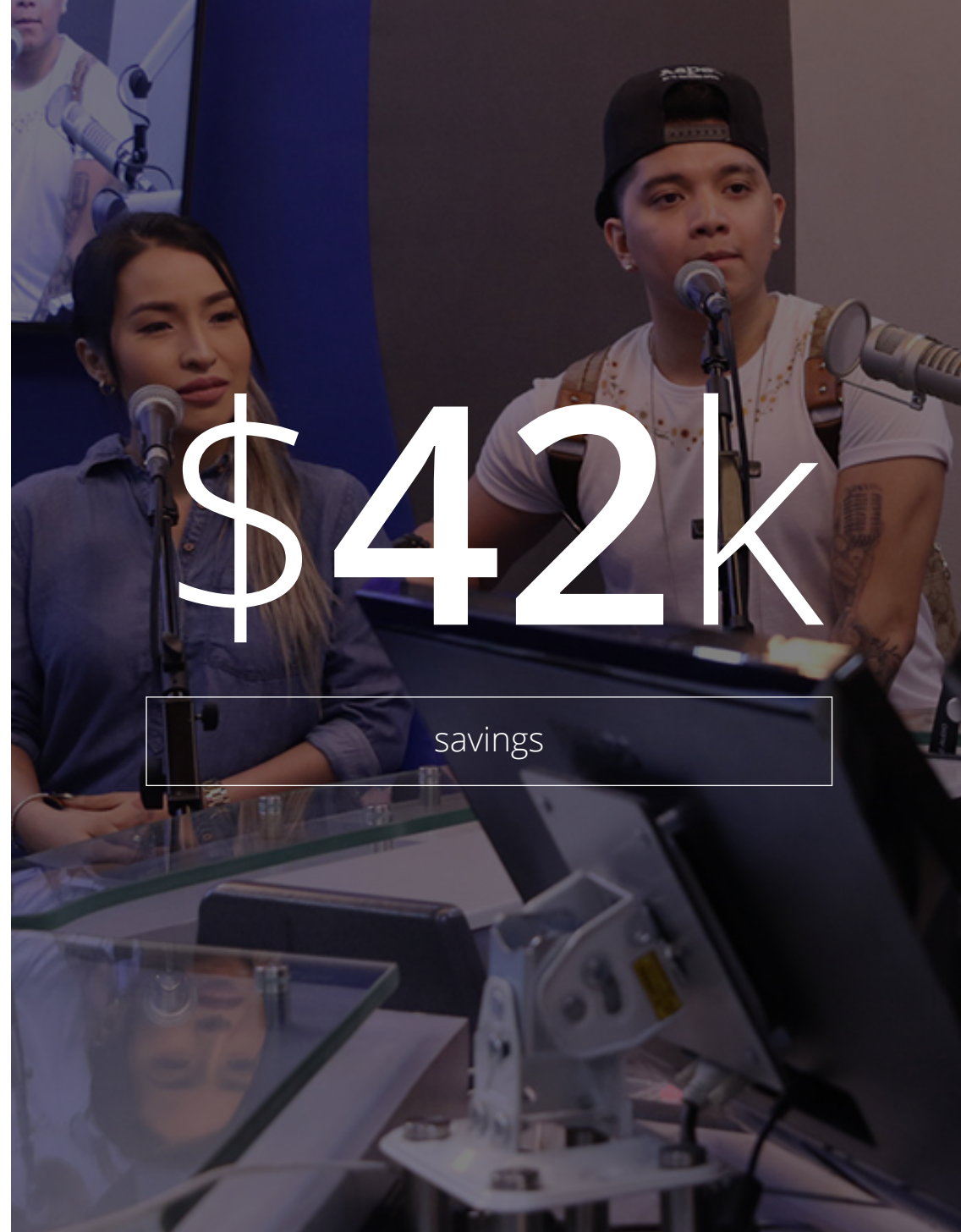
increase in sales



Real-time savings

Social media can save companies time and money. To grow the channel's audience and drive brand loyalty, Manila Broadcasting Company ran a campaign called "Yes The Guest", which partnered with social media influencers to create on-air and social media content in real time. The challenge was to deliver the content quickly with only six content producers looking after more than 100 social media accounts.

Using Hootsuite, the content producers aggregated all the data in one place, which made workflow simpler and more efficient. Not only did the campaign deliver more than 14,300 new Facebook fans, but the channel reaped US \$42,000 in efficiency savings.⁴





Listening for sales

In 2016, clothing retailer H&M wanted to reverse declining ecommerce revenue in China. The brand needed to improve awareness and sales on HM.com in a cost-effective manner.

They decided to develop a personal stylist on the WeChat app to speak to consumers, deliver relevant content, and offer products. The retailer discovered their customers desperately wanted H&M to know them better—and the power of social is that it can listen as well as deliver content.

By using WeChat to understand people better, H&M gathered firsthand insights into their users and used them to personalise content and promotions. The campaign delivered a 300 percent increase in traffic to HM.com, resulting in increased sales.⁵



300%

increase in traffic to HM.com

5 best practices for getting the most value out of social

After you've aligned social with strategic business objectives, it's time to get started with these practical ways to measure and prove the return on your social media investment.

1

Speak to your organisation's key objectives

Start by identifying what is most important to your organisation and connecting social media activities to specific business outcomes. Social data on brand awareness is not valuable if the company's biggest challenge is customer retention.

Some examples of typical objectives include:

- Increasing sales and revenue
- Increasing business conversions (providing sales teams with high-quality leads)
- Improving customer experience (turning customers into brand advocates by improving customer service)
- Mitigating risk (protecting the organisation from threats on social media)⁶

2 Choose metrics that measure business value

After you have defined what social media will help your organisation achieve, the next step is to decide how you will do it. Choose metrics that align with your objectives, that will provide data to help you make informed decisions, and that you have the tools, platform, and skills to measure.

Taking the example of business conversions, some good metrics to track include email sign-ups, content downloads, and mobile app downloads. Metrics such as first response time or deflection rate (from social to other channels) measure customer experience.

3 Conduct a low-risk pilot program

Use a pilot program to demonstrate how social can help your organisation achieve a particular objective. Propose a low-risk, time-limited program to experiment with a new initiative on social and track how that campaign performs.

The pilot program creates a business case for further investment—such as increasing social ad spend or investing in a platform—or it can provide lessons to improve current social efforts.

4 Don't do everything

Social data can provide insights that drive business value, but it can't do everything. Be clear from the outset about what you can—and cannot—do when it comes to measuring the ROI of social.

Demonstrate what is possible with the data you have, or data you can easily access, to prove the value of social in areas that impact the bottom line.

5 Analyse for future strategies

Tracking the impact of social media on business objectives is a good start. Using past performance to improve future campaigns and actions is even better.

Surface usable insights from your social data by starting with a trend you've noticed (for example, you may notice that tweets with more than one photo result in more conversions). Gather more data to determine if your analysis is correct, and come up with tactics that are easy for other teams to replicate.

Empower your entire business with social

Establishing business objectives for social, setting goals, choosing metrics, and analysing data isn't easy—but these strategic activities will put you on the right path to unlock the true value of social for your organisation. The process may seem daunting, but you don't have to do it alone.

Hootsuite partners with you to provide the right tools, technology, training, and expertise to uncover valuable, actionable insights from your social data.



[Request a demo](#) and learn how you can measure and prove the value of your social media investment with Hootsuite today.



References

1. All references to Asia Pacific are inclusive of Australia and Singapore only, specifically with regards to the findings in the commissioned study conducted by Altimeter on behalf of Hootsuite in Q2 2017. Base: 202 executives, social strategists, digital strategists, and marketers at enterprise organisations in Australia and Singapore.
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