



WHITE PAPER

State of Enterprise Social Media

Key Trends and Challenges Faced
by Global Organizations

HootsuiteTM

State of Enterprise Social Media

Key Trends and Challenges Faced by Global Organizations

These days, social media has become a basic requirement for marketing organizations that want to gain a competitive edge. As consumers increasingly use social channels to interact with companies and brands, social media has seeped beyond the borders of marketing and is quickly spreading into departments such as customer service, HR, and sales.

At Hootsuite, we wanted to measure the progress of social media adoption across the enterprise, helping large organizations better judge how their social media results and resource allocation are in line with industry peers and the wider market.

With over 1,600 enterprise clients and 10 million customers worldwide, our intention was to give organizations a way to formally benchmark their results against broader trends in social business. In this white paper, we'll share some key findings from our latest Hootsuite Social Business Benchmark, a global survey of over 750 enterprises. If you're a marketer, CEO, or senior leader, this white paper will help you understand the key shifts in enterprise social media and show you the strategies it takes to win.

The benefits and challenges of social

Nearly all organizations are confident in the value of social media. But organizations still face significant challenges. Surprisingly, the Social Business Benchmark—research conducted by Harris Poll on behalf of Hootsuite—found that these challenges arise from the very benefits that organizations associate with social activities.

Our research set out to answer key questions such as:

- What social media activities are driving the highest ROI for large organizations?
- What social media opportunities are underdeveloped and need more support?
- How are organizations setting and executing social media strategies?

The research also explored topics such as:

- The top benefits and challenges of social media in large organizations
- Obstacles and challenges in social strategy implementation
- Usage and benefits of social media management platforms

About the research

The Social Business Benchmark included 750+ global respondents from enterprise organizations in the USA, Canada, UK, Germany, Australia, Malaysia, Indonesia, and Singapore. The findings benchmark similar outlooks, behaviors, and challenges with social media in the enterprise.

This is a small sample of the data we collected. If you'd like to see the full report, [request a meeting with one of our social business experts](#).

Hootsuite Social Business Benchmark (key insights at a glance)

88% of organizations agree their social media presence is important to stay competitive.

86% agree analyzing data about their social media engagement can help their company improve its bottom line, but only 41% agree their company fully capitalizes on the data captured by social media.

72% of organizations report that the number of departments using social media at their company are growing.

60% of organizations struggle to turn social media data into something actionable.

About Harris Poll

Interviews were conducted in English and the research was completed by Harris Poll on behalf of Hootsuite. Invitations were sent by Harris Poll and no mention of Hootsuite was made.

Harris Poll is one of the world's leading market research firms, leveraging research, technology, and business acumen to transform relevant insight into actionable foresight. They conduct research in a wide range of industries, across countries and territories through North America, Europe, and Asia.

What activities are producing the highest ROI?

The growing role of social media is strongly felt among almost all organizations. 87% of respondents agreed that social media was more important to their company than it was a year ago. 82% believed that their company should dedicate more resources to social media. Almost all organizations in our research (88%) agreed that their social media presence is important to stay competitive.

The top reported value of social media included some expected answers—such as being used for influencer engagement, customer loyalty, and brand building—but also included relatively new areas such as vetting potential employees and connecting with shareholders.

It's clear that the value of social media goes far beyond customer interaction. Social media is now a part of all aspects of business, not just one department. One trend that we've noticed increasing is the use of social media by HR departments (54%). Extending social monitoring beyond @brand and product mentions has also increased, fueled by the growing sophistication of social media analytics platforms which can broadly monitor trends and global conversations.

How does your organization measure up?

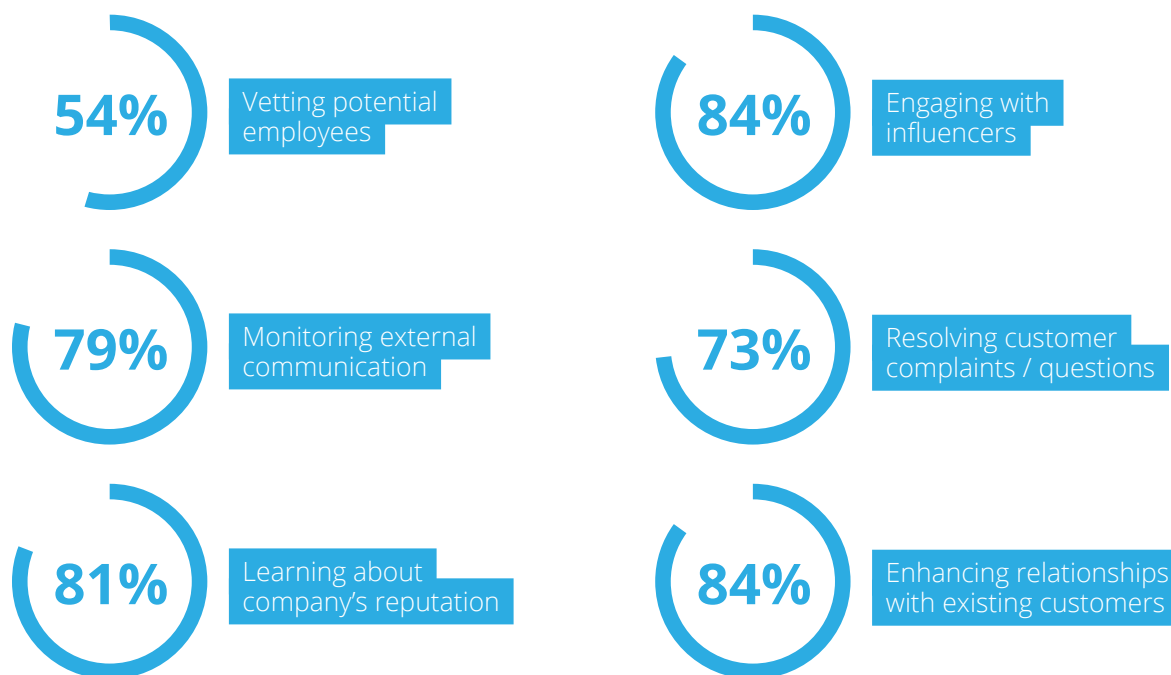
When it comes to getting value from social channels, does your organization see similar results? If your organization falls below the average numbers in this report, it's time to invest before you fall too far behind your competitors.

Our experts will help you better measure your performance with our global benchmarks, share success from top performing organizations, and help your organization see a measurable return from social media.

- Expert walk-through of key data and top industry challenges
- Guidance on how to use these benchmarks to refine your social strategy
- Actionable take-aways and best practices from leading organizations

[Request a meeting to benchmark your organization's results.](#)

What's the value of social media?



The challenge of measurement

Nearly all global respondents (86%) agreed that analyzing data about their social media engagement can help their company improve its bottom line. Yet, 60% of organizations cite taking data gathered from social media and turning it into something actionable as a challenge. Similarly, 84% see enhancing relationships with existing customers as social media's value, but 67% cite assessing the effectiveness of social media activities as a challenge.

This disconnect became more meaningful when we examined the top performing organizations. The companies that were able to capitalize on social media data (41% of all respondents) were more likely to have reported that they had an aligned strategy. Here, an aligned strategy means that different departments and business units are working towards solving common business challenges.

Our analysis shows that the expansion of social media across the organization has a compounding effect on the ability to properly measure the ROI of social media. Without an aligned strategy, metrics tend to report on program effectiveness (such as the success of a PR campaign or number of website visitors generated by sponsoring a conference) which prevent the organization from answering questions that reveal the true business value such as "did our social channels create opportunities that our sales team closed?" or "does social media listening help us build a more competitive customer service offering, increasing lifetime customer value?"

Social data offers a competitive edge

The main takeaway here is that many of your competitors are not yet harnessing the full value of social media data. Organizations that capitalize on this data first will have a clear advantage in better understanding customer drivers and spot new opportunities for growth faster than their competitors.

Extending social listening from product-level listening to market-level listening also holds significant opportunities. Currently, most organizations focus on monitoring discussions around @brand replies and product terms. This misses out on valuable discussions and insights that often occur outside of brand-specific conversations. By using [broad social media listening platforms](#), organizations can access global conversations, emerging trends, and uncover real-time opportunities.

88%

Believe their social media presence is important to stay competitive

86%

Agree analyzing social engagement can help their company's bottom line

41%

Of companies are able to capitalize on this social data

60%

Challenged to turn social data into actionable insights

Analytics and security are the biggest challenges for enterprise

Organizations are struggling to make sense of social media data. It's not surprising, then, that analytics was the top reported need (81% of all respondents) for social media management across departments.

In their recent report, Gartner suggested that [analytics is one of the top 10 technology trends](#) that organizations cannot afford to ignore in their strategic planning. According to Gartner, analytics will take center stage as "the volume of data generated by embedded systems increases and vast pools of structured and unstructured data inside and outside the enterprise are analyzed."

It's interesting to note, though, that while organizations tend to emphasize their commitment to analytics, they also report a skills gap. "63% of marketers plan on devoting more resources to analytics during the next year, while a paltry six percent currently consider themselves leaders in that area," says the [CMO Council's recent State of Marketing report](#).

As Gartner points out, the focus needs to "shift to thinking about big questions and big answers first and big data second—the value is in the answers, not the data."

Social media analytic vendors need to make sure that their platforms enable everyone in the enterprise to access insights, not just data scientists. By creating accessible platforms that intelligently filter results, organizations can close the gap between data collection and action.

Security and scale

Maintaining the security of account sprawl and protecting customers from threats, rising rates of spam, and malware remain a central concern for organizations, especially as social media initiatives expand deeper into the enterprise. Security was listed as the second most important capability for social media management (80% of all global respondents) just one percent behind analytics.

The emphasis on security demonstrates social maturity among large organizations. Many organizations are realizing that social media must be given the same IT focus as other essential and integrated technologies that connect the enterprise.

Security-aware application design, dynamic and static application security testing, and runtime application self-protection combined with active context-aware and adaptive access controls are all needed in today's digital world. This will lead to new models of building security directly into applications. Perimeters and firewalls are no longer enough; every app needs to be self-aware and self-protecting.

While security is necessary, it can also be an advantage. IT can help fuel scale and allows thousands of employees, different teams, and regions to work together to reach common goals. For regulated industries such as health care, finance, and pharma, IT can help social media communication remain compliant, create efficient approval workflows, and reduce the manual work of protecting audiences from spam and malware.

How is social expanding across the enterprise?

Our research found that 72% of organizations agree that the number of departments using social media at their company is growing. 65% say their HR department can benefit and 48% say their R&D department can benefit from social media. Expansion, though, requires more resources and 82% agreed that their company should dedicate more resources to social media.

Because the majority of organizations see social media as key to remaining competitive, industries and companies that are still lagging behind will need to pay attention to the strides made in other verticals. Our fear is that many industries—especially in pharma, healthcare, finance, and legal industries—are still approaching social channels from a marketing-first strategy. This is preventing them from unlocking broad business impact and causing them to fall far behind the pace of consumer adoption.

Expansion and alignment

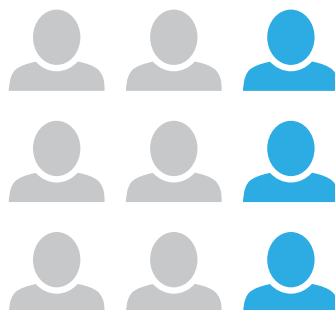
As organizations expand social media initiatives into new departments, growing pains have become evident. The key challenge we found was the strategic work required to align social media strategies across various departments, regions, and business units. This hasn't been easy. Many organizations are struggling with interdepartmental alignment and executive buy-in.

Only three in 10 (30%) of respondents reported that their social media strategy is completely aligned across various departments within their company. Even among those who say their strategy is at least somewhat aligned, 64% say aligning their social media strategy across various departments was difficult.

So what makes alignment so difficult?

We've observed at Hootsuite that in less socially mature organizations, the best practices initially used to guide social strategies have been created by marketing and PR departments. This makes sense. They were the early adopters and so experimented first and built the best practices.

Unfortunately, this means that many of the metrics and even technology used to manage social media programs remain marketing focused. Impressions and reach mean nothing to an analyst trying to quantify the cost of customer service or looking for ways to improve their investor relations. This makes the success and relevance of different social initiatives to remain at the program level instead of being connected to foundational business measures.



30% say social strategy is aligned across departments



44% cite creating buy-in as a challenge



64% say aligning their social strategy across departments difficult

What are the characteristics of top performing organizations?

We analyzed the behaviors of top performing organizations. Based on our findings, the following best practices will help your organization overcome many of the common challenges of social media.

Alignment captures value from social media data

One interesting correlation was that organizations who did manage to act on social media data also reported that they had managed to align their departments with a single strategy (58% versus 33%).

Why does alignment help organizations unlock social media data?

One way to capitalize on social media data is to simply examine it from a different perspective. For example, a sudden flutter of complaints about product quality might not mean much to a marketing department. For a customer service team, they simply mean more work. But for a supply chain manager, it could signal that the new supplier they recently began working with needs to be immediately examined.

Likewise, broad social media listening that monitors conversations beyond @brand replies can spot opportunities to act on such as early reports of a competitor's product recall or trends that can be turned into quick tactical wins.

This creates other opportunities as well. If a department or business unit can unlock social media data, they are also likely report higher ROI and be able to build a business case for further investment. Once leadership sees the fruits of their investment, executive buy-in also increases.

Dedicated teams produce results

Organizations with dedicated social media teams tended to perform better than organizations with ad-hoc responsibility for social media initiatives. We suspect this is because these teams act as champions, driving more executive buy-in and sharing successes. Social media teams help to evangelize new initiatives and can guide other departments to extract more value from their own campaigns.

Leadership matters for data

Organizations with executive buy-in are also more likely to report that they capitalize on social media data than those without buy-in (51% versus 15%). With executive buy-in, social initiatives gain more visibility and resources, as social now connects back to the central business challenges the organization is trying to solve.

Faster adoption offers greater rewards

The growing role of social media is strongly felt among almost all organizations. As mentioned, 87% of respondents agreed that social media was more important to their company than it was a year ago. 82% believed that their company should dedicate more resources to social media.

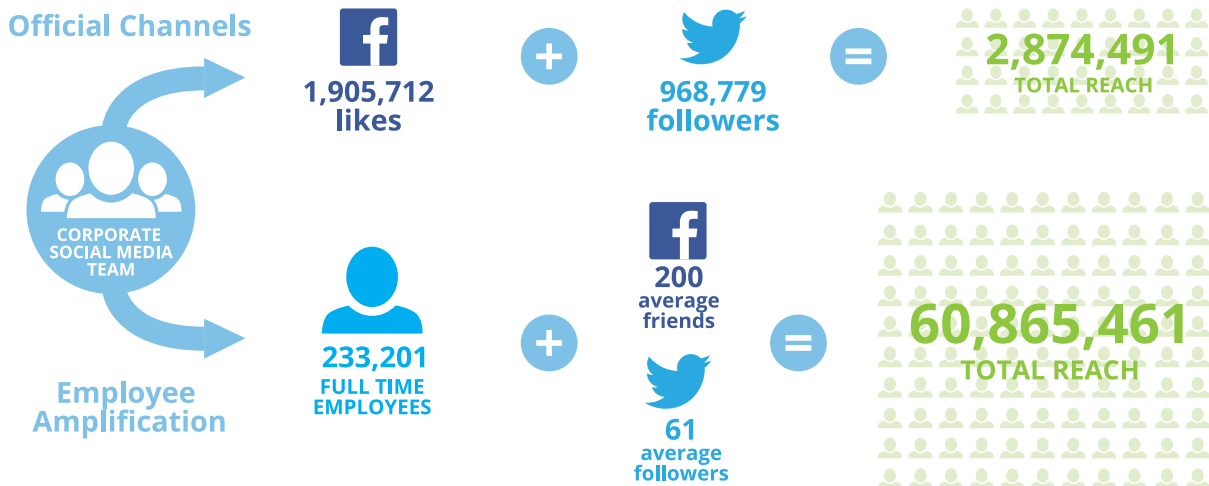
Senior leaders need to prioritize these gaps between the known importance of social media and the need for more resources. As this investment will likely need to happen to stay competitive in the next few years, organizations have a lot to gain by acting sooner. There is still time to take this as an opportunity for getting ahead instead of playing catch-up with their industry and peers.

Employees are the next stage in social maturity

On average, organizations estimate that more than half of their employees use social media to enhance their professional profile. This is continuing to grow. 73% of all organizations we interviewed expected that social media participation among employees would increase over the next year.

To meet this trend, organizations need to ensure that education is provided to employees and that social media governance is well understood. Instead of fighting this shift, organizations can act early and build employee participation in official social media initiatives.

The Power of Employee Amplification



Four key takeaways

As we've shown, social media continues to spread across the enterprise and organizations that successfully align their strategy tend to report higher returns. In the next year, organizations will be making a big push to better use social media data, investing in more robust security measures, and completing the strategic work required to align interdepartmental social media activity around common business goals.

In summary, here are four trends that organizations need to anticipate in their planning and strategic focus.

#1 Empowered organizations will win

"Customers aren't the only ones who represent disruption," says the Altimeter Group in their latest report on [The State of Digital Transformation](#). "Employees are also at the heart of change."

Organizations will continue to bring employees into the brand narrative and harness their collective social reach to amplify culture, share official content, and drive positive sentiment. Employee amplification, for example, can dramatically extend the reach of official branded channels (shown above).

#2 Industries being disrupted have the most to gain

Industries facing disruption by digital and online business models have the most to gain from social transformation. These industries include publishing, media, telecommunications, retail, and education. Social offers a way to drive digital transformation, reorganize around the voice of the customer, and achieve market leadership.

#3 IT will drive social scale and protect the brand

IT propels the rate of digital transformation possible for organizations. According to research from [Nexgate](#), 15% of all social spam contains a URL, often to spam content, pornography, or malware. From forms that collect personal information to apps that raid data from social media followers, organizations need to work closely with IT to ensure that they maintain control as they scale.

IT also enables organizations in regulated industries to realize the benefits of social. Social Relationship Platforms can reduce compliance workloads, maintain the security of accounts, and protect organizations from employee error.

#4 Social will become a unifier for brands

For businesses with corporate complexity—such as a global business with thousands of sales agents, hundreds of product lines, and different regions and business units to manage—social media can help to tame that complexity and bring the many different contributions of customers and employees into a consistent, unified voice.

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.

Request a custom demo today by visiting enterprise.hootsuite.com

Trusted by 744 of the Fortune 1000

