

IS SOCIAL MEDIA
MARKETING AS
EFFECTIVE AS IT
WAS A DECADE AGO?



Introduction

Ten years ago, who would have thought that at the time of writing, there would be debate raging over whether or not to broadcast a U.S. President's Oval Office address, due to perceptions he cannot be trusted with the truth? If anyone follows the @realDonaldTrump tweets, they would appreciate that President Trump's social content often strays into the realm of reality entertainment more than political discourse.

From this one example we can glean an apparent truth: the public's honeymoon with social media and with Facebook in particular is well and truly over. Throughout the past decade the social media agenda has transformed irrevocably, and the world along with it. Topics such as privacy and fake news have come to the fore, impacting global political, social and economic discourse. When we think of Facebook founder Mark Zuckerberg, we no longer think of that movie starring Jesse Eisenberg, instead we picture Zuckerberg sitting before the US Congress answering some very tough questions about Russian interference in US elections, privacy breaches and hate speech.

Consumers are more wary of social media than ever before, but that doesn't mean people are cancelling their accounts, and marketers are still investing big bucks to interact with audiences across a range of social platforms. In fact, smart marketers view this changing perception as a chance to promote values of hyper-transparency and win the trust of audiences. The honeymoon may be over, but these shifting sands may present new opportunities for brands.

At present, one of the most popular social memes is #10YearChallenge, where users are encouraged to compare an image of themselves today with an image of themselves a decade ago. The ten year challenge for marketers, however, is whether they can extract as much value from social media today as they could previously. In the following pages, we will explore some of the key transformations in the social media space over the past ten years, while providing marketers with practical tips for navigating the evolving landscape.

WOULD YOU BELIEVE

Fake² news?

A STUDY OF
3,000 AMERICANS
DISCOVERED
THAT FAKE NEWS
HEADLINES ARE SEEN
AS ACCURATE ABOUT

75%
OF THE TIME.¹

THE SPREAD OF
BLATANTLY FALSE
INFORMATION ABOUT
PEPSICO, INCLUDING
FAKE QUOTES FROM
THE CEO, SAW THE
COMPANY'S STOCK
PRICE FALL BY

3.75%²

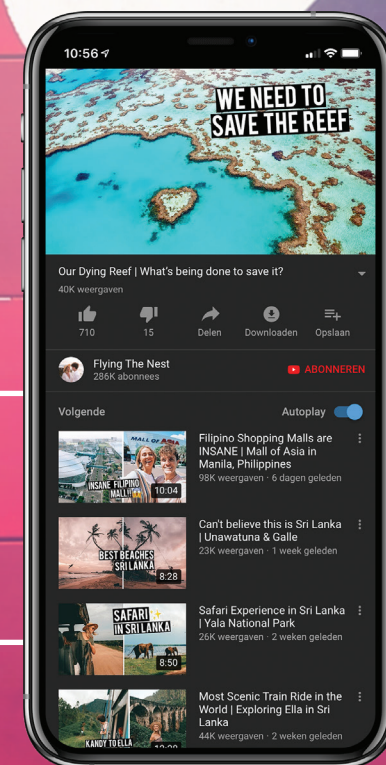


TRANSPARENCY IN ACTION WITH *Coca-Cola*®

In a bid to tackle a tough issue in a transparent way that resonates with consumers, Coca-Cola has engaged third party blog Flying The Nest to “tell the story” of the brand’s corporate responsibility program Project Catalyst.

The program helps Australian sugarcane farmers use more sustainable practices in order to improve the quality of the water runoff into the Great Barrier Reef. Sure, the aim of the campaign is to improve the reputation of Coca-Cola, but by engaging a third party to tell the story, the brand has successfully built a perception of transparency.³

WATCH VIDEO



A SHORT HISTORY OF

Social Media

1997

Genesis of social sites with Six Degrees

2002

Friendster launches

2003 

LinkedIn gives people a place to post their CV

2004 

Facebook launches

2005 

YouTube launches

2006  

MySpace is booming and Twitter launches

2009

Facebook and LinkedIn open offices in Australia

Telstra introduces 'gaudrail' for employees – one of the first social media policies by a major Australian business

2010  

Pinterest and Instagram launch

Mummy blogger group Digital Parents launches

2011  

Lauren Bath becomes Australia's first professional Instagrammer

Snapchat & Google+ Launch

2012

Facebook acquires Instagram for \$1 billion

Facebook begins to restrict the organic reach of content from brand pages

2013

Real time marketing takes off with the 2013 Oreos Super Bowl Tweet

Vine launches and is bought by Twitter. MySpace re-launches. Yahoo buys Tumblr

2015

Twitter purchases Periscope

2016

"Fake News" is born - 140 fake news sites launched out of a small town in Macedonia

Instagram Stories launches, Facebook Live launches

2017

100,000 Facebook Messenger bots created

2018

Social media ad revenue grows to 26% of total internet advertising revenue⁴

2019

Facebook ad spending will grow to

\$67.2 billion⁵

DO SOCIAL PLATFORMS NEED TO BE *popular* WITH EVERYONE TO BE *relevant?*

ACTIVE MONTHLY USERS

Roy Morgan

Facebook - 16.9 million
YouTube - 15.2 million
Instagram - 7.7 million
Pinterest - 6.6 million
Twitter - 5.4 million
LinkedIn - 4.4 million
WhatsApp - 3.1 million
Snapchat - 2.9 million

One of the most attractive features of Facebook to marketers is its reach. With 88% of online consumers using social media and over 90% of those users on Facebook, nearly everyone in Australia has a Facebook account.⁶

Of course, while Facebook and more recently Instagram have been the dominant social media forces of the past decade, this certainly does not mean a marketer's social strategy should focus on these platforms to the exclusion of other niche players.



An interest in Pinterest

Pinterest's user base has not grown to the same extent as other social media platforms, but ignoring its audience could be a major mistake for some marketers. Of the four million Australians who actively use Pinterest each month, 18-25 year olds are the most active users. What's more, Pinterest is the only major social media network where users are in genuine "consideration mode" and actively seeking inspiration about products – 83% of Pinners have used the platform to inform purchasing decisions.⁷

TIPS FOR MARKETERS

In 2019, we expect to see a major Facebook correction. Marketers should re-evaluate their social strategies to diversify spend across various platforms.

Atwitter about Twitter

Twitter had a substantial decrease in users in 2018. Does this mean marketers should ignore Twitter, discarding it as yet another social platform going the way of the Dodo bird? Well, if you are targeting men in the 18-29 demographic, such a strategy might be ill-informed. These consumers are tweeting more than ever, discussing moments that capture the nation's attention like major sporting events, and engaging with influencers and media outlets.⁸

ARE INFLUENCERS STILL *influential?*



DID YOU KNOW?

DESPITE RECENT NEGATIVE
PUBLICITY SURROUNDING
SOCIAL MEDIA INFLUENCERS,

62%

OF MARKETERS ARE
STILL LOOKING TO BOOST
THEIR INFLUENCER-
MARKETING BUDGET.⁹

@JayAlvarrez 5,9M followers

Celebrity endorsements are nothing new. Actresses, sports stars and even royals have appeared next to their preferred brands since the dawn of advertising. However, in the space of less than a decade, the world of Australian brand endorsements has been transformed by social media influencers. The Australian marketer's love affair with social media influencers kicked off in earnest in 2010-2011, as brands piggybacked on the mass traction of mummy and travel bloggers, seeking to leverage the trust and connection between influencers and their audiences. Today, the influencer genre has exploded to include YouTubers, Instagram models, microinfluencers, nanoinfluencers, Pinfluencers, LinkedIn executives and super fans.

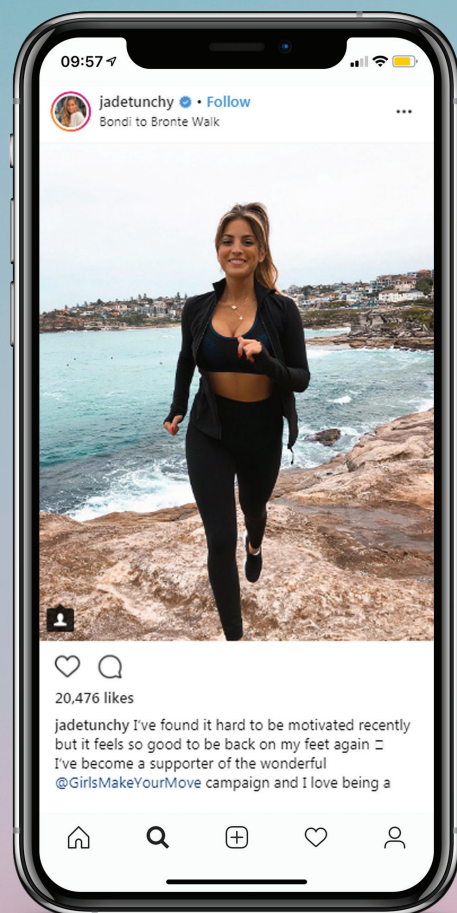
Regardless of an influencer's following, brands have been lining up to capitalise on the personal connection and word-of-mouth benefits delivered by the digitally influential. However, in recent years a spotlight has also been turned onto the dark world of false followers, views and click-throughs, while marketers are recognising the inherent risks involved in trusting third parties as brand custodians.

DON'T FORGET ABOUT YOUTUBE

Instagram is clearly the platform du jour, with much of the hype around influencers focusing on short snackable content. However, depending on the marketing objective, there is still a role for using YouTube stars to create longer form content. In fact, a recent study indicated that branded content longer than 60 seconds can lead to a 40% lift in brand awareness and a 70% lift in ad recall, compared with shorter formats.

LOSING ITS SHINE – WHEN INFLUENCER MARKETING GOES AWRY

The Federal Government recently announced it will never again use a social media influencer, after a health-related campaign landed the Department of Health in some hot water. The government employed several Instagram stars to promote health and physical activity, but it was later revealed some of these stars had previously endorsed alcohol products and unhealthy eating habits. Needless to say, this did not go down well with many members of the public, and the government has emerged from the scandal with a new zero-influencer policy moving forward. It is a poignant lesson in vetting your influencers, and a reminder of the inherent risk in trusting your brand to a third party.



TIPS FOR MARKETERS

- Influencer networks like Vamp and Scrunch have made it easier to find influencers, but marketers still need to apply rigour in selecting the right people to work with – evaluate each person's tone, review any other brands they have worked with or plan to work with, and assess their overall credibility to ensure they're a suitable fit for your brand.
- Carefully evaluate each influencer and look for signs that they've acquired fake followers, used bots or shown signs of other inauthentic behavior.
- This may sound obvious, but brief your influencer! Shockingly, only 38.8% of influencers globally are given brand guidelines when they are engaged to work on campaigns.¹⁰ So make sure to take the time to set out key parameters and expectations.

Is organic dead? Or is it earned?

Australia remains one of the most Facebook and social media addicted countries in the world, so it's no wonder that brands have flocked to the various platforms over the years to create pages and post content. Of course, as marketers have attempted to build communities and generate organic reach, Facebook and the other social giants have created bottlenecks to throttle back the amount of free exposure brands enjoy – the model has shifted from organic to pay-to-play.

In fact, around two thirds of Australians refuse to like or follow brands in the social space out of a fear that they will be inundated with paid advertising if they do.¹¹ Do these changes mean that organic reach is dead? Well, the game has certainly changed, but the savviest marketers have recognised that organic reach is not dead; it is earned.

The world of social media is fuelled by one driving force: word of mouth. If brands want to earn reach, they need to tap into the consumer motto: "Why would I care, and why would I share?"

DID YOU KNOW?

THE AVERAGE AUSTRALIAN SPENDS MORE THAN

10 MINUTES

PER DAY ON FACEBOOK, MORE THAN THREE TIMES THE TIME SPENT ENGAGING WITH TOP NEWS SITES LIKE THE SYDNEY MORNING HERALD.¹²

KFC

AND THE HEYDAY OF

ORGANIC REACH

In 2009, one of KFC's first branded posts on Facebook saw tens of thousands of hungry consumers line up outside the KFC on George St, Sydney, to nab a free chicken burger. In today's social landscape, it would be far more difficult for KFC to earn this kind of word-of-mouth exposure through organic reach alone.

TIPS FOR MARKETERS

Marketers should tap into the core drivers that trigger word-of-mouth. According to word-of-mouth guru Emanuel Rosen,¹³ marketers need to ask the following:

- Are we telling an interesting story?
- Is the timing exactly right?
- Are we offering something new to talk about?
- Is our content based on an insight or truth that most people can relate to?
- Are we offering something of value – from news to offers to humour?
- Do we ask people to get involved?
- Do we remind people to spread the word?

SHOULD WE REALLY BE LISTENING TO THE CUSTOMER?

Social media is awash with trolls and negative feedback. In fact, the consumers who complain the loudest about brands in the social media space generally do not accurately represent overall market perception. These naysayers are usually outliers.

But does that mean marketers should dismiss them altogether? Absolutely not. Marketers who ignore the value of negative customer feedback in the social space do so at their own peril. Here are some reasons why:

- A brand's responsiveness and follow-up in the social media space have a direct correlation with sales. In fact, 88% of consumers are less likely to buy from a brand that does not respond to questions on its social platforms.¹⁴
- It is far cheaper to retain customers than acquire new ones – up to 25 times cheaper in fact.¹⁵
- A brand's lack of response in the social space can open it up to a full-blown PR crisis.

TIPS FOR MARKETERS

- Experiment with machine learning and bots to handle responses to common questions or route messages to specific teams depending on the topic.
- Don't lose the human touch. Use analytics platforms to understand your social audiences and craft the message and tone of voice appropriately.
- Respond to customers straight away. You should respond to a customer comment or complaint within 2 hours at the latest.

QANTAS' POOR TIMING LEADS TO PR catastrophe

When disgruntled members of the public hijacked a Qantas hashtag (#QantasLuxury), the brand faced one of the most famous PR meltdowns in Australian social media history. At a time when the Qantas fleet was grounded and the company's heated labour relations were reaching fever pitch, the brand decided to launch a social campaign revolving around luxury! The timing could not have been worse, and a PR catastrophe ensued, with 130 negative tweets hijacking the hashtag every ten minutes and keeping the Qantas brand top-of-mind for all the wrong reasons.

PROMOTION FROM WITHIN:

USING EMPLOYEES AS

brand ambassadors

Brands and corporates sat up and began paying attention to the value of employees in the social space as far back as 2009, when Telstra publicly shared its social media guidelines, gaining the attention of mainstream media and marketers alike. Since then, scores of marketing teams have attempted to leverage the influence of their employees to generate goodwill around their brand, while simultaneously developing social guidelines to protect against negative publicity.

With an increasingly skeptical public viewing social media, brands and longstanding institutions with newfound suspicion and distrust, employee ambassadors are more important than ever:

- In 2016, the Edelman Trust Barometer survey found that employees were the most credible and trusted spokespeople for companies.¹⁶
- In 2017, the Edelman Trust Barometer survey found that employees were more trustworthy and credible than CEOs with regard to messaging around employee relations, customer relations, financial earnings, brand crises, innovation, industry issues and societal issues.¹⁷
- Content shared by employees achieves significantly higher engagement than content shared by brands.¹⁸

SHOULD CEOS BE SOCIAL AMBASSADORS?

A recent survey from iSentia found that 69% of Australia's top 100 corporate leaders did not have any activity on LinkedIn, while 76% did not use Twitter.¹⁹ While brands could experience many benefits if CEOs are more active in social media, particularly in terms of corporate transparency, the real opportunity is at the employee level.

TIPS FOR MARKETERS

- Be aware of the risks – if brands develop programs that encourage employee advocacy in the social space, they should be cognisant of the content their employees are posting.
- Link content to specific brand values in an authentic and credible way – it is not enough for an employee to merely share a story about their employer.
- Treat employees like social influencers – identify those employees with the most online influence and nurture engaging content that drives word of mouth.
- Provide employees with experiences and opportunities to create content e.g. CEO listening sessions, meeting celebrity brand ambassadors, participation in community events sponsored by your brand.
- Amplify positive employee content via branded channels.



Conclusion

Social media is as relevant as ever, but the landscape has changed. Perceptions have evolved – consumer sentiment regarding the social space is mired in suspicion and distrust. These perceptions are coloured by ongoing scandals and repeated concerns about breaches of privacy, political rumormongering and corporate deception.

The brands that excel in 2019 will: espouse values of corporate transparency in the social space; carefully select the individuals and influencers who act as brand ambassadors and storytellers; develop content that propels word-of-mouth recommendations; and implement diversified schedules that leverage the varied benefits of different social platforms.

Social media has transitioned from adolescence into maturity. Some of the glow may have faded, but the savviest marketers recognise the immense benefits social media marketing still brings.

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Is Social Media Marketing As Effective As It Was A Decade Ago?

An Atomic 212° production



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