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# The Transformative Power of Social Media

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## Delivering value from marketing transformation can be greatly accelerated through social media

We believe that the youngest of all media channels is neither a marketing tactic nor just another channel. Social has transformed our private and public life – the way we learn about news, consume culture, connect with friends, debate with strangers, and even the way we shop.

We believe that social media can serve as jet fuel for marketing transformation, accelerating the speed through which we can deliver value. Chief Marketing Officers (CMOs) have already started to see the value of social in marketing and business, with social media spend expected to double in the next five years, reaching almost 25% of marketing budgets.

Most marketers have only a limited understanding of the transformative power of social and the speed at which it can deliver value through marketing transformation. Yet there are (at least) seven ways in which social media can help drive change:

**1. Social is immensely data rich.** Modern marketing transformation is driven by data and most social data is available for free for marketers to leverage. The use of social data can range from intelligence about consumers, competitors or specific categories, all the way to the creation of hyper-relevant communications, content and experiences through targeting and personalisation.

### Example:

Our client, a blue-chip IT services and consulting company, wanted to use a point of view on blockchain technology to generate leads. We created a campaign on Facebook and Twitter targeting Chief Digital Officers and innovation leaders within companies. Hyper-relevant business-to-business (B2B) criteria were established, using data from both social platforms, such as job titles, industry, skills, industry groups, interests, job functions, and lookalikes. Social data enabled the planning of strategy for a social funnel: using multiple social formats and content. The approach delivered +24% leads above benchmark, +€100m potential revenue, and +71% conversational yield.

**2. Social allows connection with consumers across the entire customer journey** – from driving brand awareness or affinity, to building consideration, delivering conversions and nurturing loyalty, as well as shaping user/customer experience. Normally the common objective of marketing transformation projects is to establish comprehensive, end-to-end connection plans with consumers. The rich targeting, sequential, and personalization capabilities of social media enable an open-ended, dynamic approach to CRM, based on continuous relevant engagements with consumers at scale.

**Example:**

For a US manufacturer of skateboarding shoes and apparel, we designed a long-term operating system for social media. The system delivers growth in brand equity and sales by engaging potential European customers in the always-on mode. This approach connects with the customer at multiple points of the journey. In the awareness phase, we focused on long-term relevance and keeping the brand top-of-mind. Multiple mid-term-oriented sales activations are closely linked, engaging users on Facebook, YouTube, Instagram, TikTok and Snapchat, while promoting key products via social funnels. Each funnel led to one of the ecommerce platforms, or a purchase via social media. Then, the last component of the operating system aimed for brand affinity through content tailored to interests and passion points. This approach achieves scale and relevance, ensuring that 75% of the brand's market is reached at all times, and initial interest is converted into sales at same time.

**3. Social commerce has arrived.** It is now the fastest growing capability in social media, allowing brands to accelerate the transition to the ecommerce world without heavy investments in IT or tech. Instead of waiting for a full ecommerce approach to be developed and implemented, companies can test and learn through social commerce and accelerate value creation.

**Example:**

Using immersive content on Facebook and Instagram, we created a Black Friday campaign for a famous Swedish retailer. Based on the learning that people living outside of a 50-minute radius from a store are more likely to order online, we used highly targeted lifestyle ads which led to the

ecommerce site. This campaign, powered by tracking features that linked data to in-store purchase information, generated 371% ROI.

**4. Social decreases dependency on the first-party data.** Marketing transformation projects are often paralyzed by the lack of first-party data. Social allows brands to design and serve experiences dynamically, using free platform data, and targeting that reflects that every consumer is different, and that each journey is unique.

**Example:**

Due to high distribution costs, a leading Belgian retailer had decided not to deliver promo leaflets to eight specific zones of the country. Instead, we used the power of social geo-targeting data to cover the zones via social media. Since the retailer's website was not mobile-first, the campaign consisted of fully immersive formats such as instant experiences, redirecting to the retailer's ecommerce site to facilitate online purchases. This approach reached 135,000 extra consumers, achieved an open rate five times higher than the benchmark, and led 50,000 new visitors on the ecommerce platform.

**5. Social accelerates performance transformation.** With minimal tech stack requirements, most brands now have the possibility to accelerate digital ROI through social.

**Example:**

For an American brand of denim jeans, we designed a long-term performance transformation program with three objectives: boost sales, close deals and optimize performance. To do this, we utilized an array of tactics such as: dynamic ads, personalization and A/B testing. We reached 18 million users and increased website visits per year by 150,000. The ROI also increased year on year: +705% (2016), 207% (2017), up to +1172% (2018).

**6. Social fits new organizational models.** New models and ways of working are often integral parts of marketing transformation projects. This might include the in-housing of some (or all) parts of marketing functions and capabilities (e.g. content creation, performance acceleration). In-housing pilots rooted in social capability can expand already internalized functions,

such as community management or customer care. Performance focused transformation of social capabilities in-house can deliver speed and value, while internalized content studios and hubs can achieve great efficiencies.

#### Example:

To accompany one of the world's largest electronics company in its transformation to health technology, we established an in-house centre of excellence with focus on real-time performance marketing, powered by social media. The centralized content execution and campaign management was interlinked with in-house media buying. We placed the team in the company's Amsterdam HQ to allow direct partnership with the brand leads and faster decisions in real-time for optimizing creative, media and strategy. This approach enabled the production of up to 500 assets for a single campaign. Three years after it was established, the centre of excellence covered an extra 30 markets, and an additional 250 campaigns worldwide. Its agility, effectiveness and performance were recognized by the Effie Awards in 2019 and the centre was awarded a Gold Euro Effie.

**7. Social fosters collaboration between partners and suppliers.** By bridging the gap between creative and media agencies, new ways of working can improve the value marketers receive from agency partners.

#### Example:

When establishing a new team of agency partners for an iconic chocolate brand, WPP put social experts at the heart of the team. Social served as the bridge between media and creative thinking. Social media thinking was part of nearly every project from the start, not just an added after-thought. Social expertise facilitated proximity with key platform partners, such as Facebook or Google. In just one year of collaboration, this organizational setup and ways of working have proven to be very effective and the client started to implement similar setups on other brands.

Every company is at a different stage in their adoption of social to fuel marketing transformation. We have developed the Social Maturity Score tool to better understand the level of social maturity among brands and help marketers advance towards transformative use of social. **The tool is available for free online at [socialmaturity.com](https://socialmaturity.com).**

## **Contributions: Awie Erasmus, Mathieu Gillain, Christophe Chantraine and Rob Hill**

*Forbes, 2019, The CMO Survey*

*McKinsey & Company, 2020, The Next Normal: The recovery will be digital. Digitalizing at speed and scale*

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