



DRIVING MARKETING
TRANSFORMATION
AT SPEED THROUGH
SOCIAL MEDIA

Ogilvy | Social.Lab

THE HOLY GRAIL OF MARKETING TRANSFORMATION

Marketing transformation has been on the agenda of nearly every CMO. Marketers realize that the ways they grow brands and introduce products to markets must evolve accordingly with shifts in behavior and expectations of consumers. For companies, the rewards for transforming successfully are high: up to 20% increase in revenues along with a 30% decrease in costs¹. And the risks of not evolving to meet new and shifting consumer expectations is equally high.

¹2020, WPP Atticus Awards, Chief Magic Officer, <https://www.wpp.com/wpp-ia/atticus-awards/atticus-journal-v25/chief-magic-officer>.

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Today, consumers demand continuity and end-to-end consistency in brand experience and communication.

They desire experiences that are delightful, delivered seamlessly at the same time.

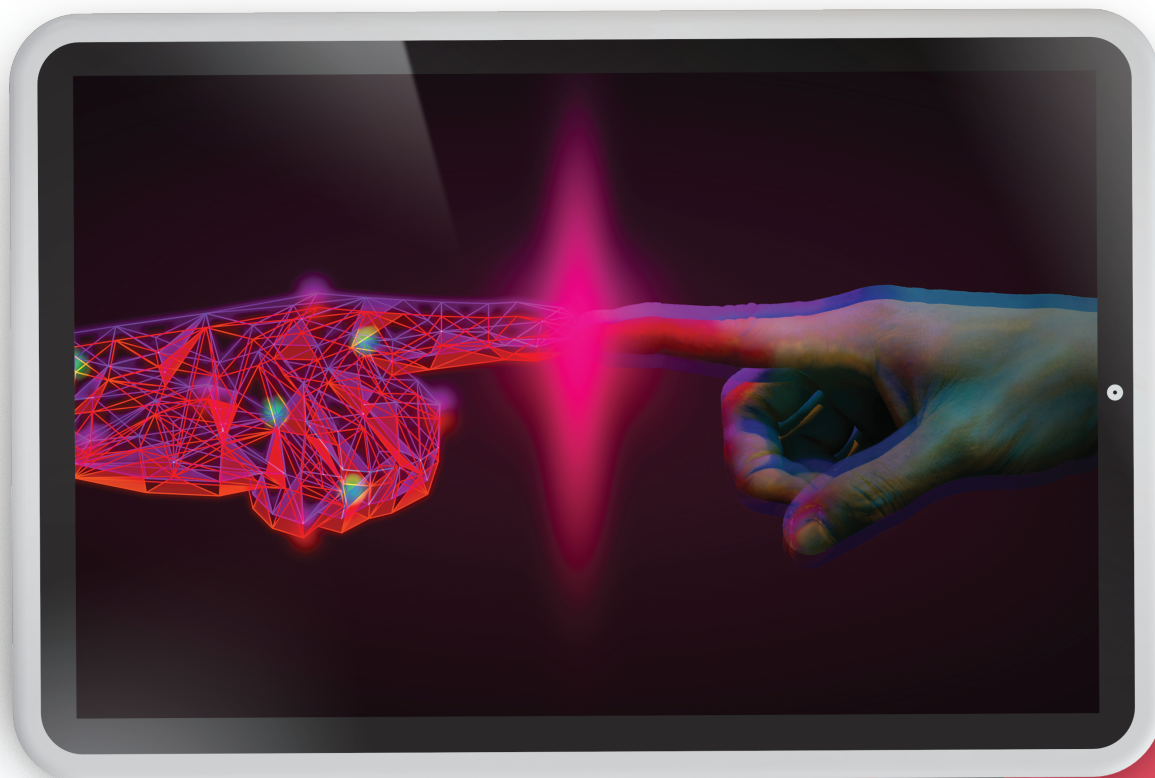
They expect empathy and understanding from brands; they now want to connect on their own terms through the channels, media and marketplaces of their choice; not the way brands dictate. They have become increasingly smarter at filtering and deciding what to give their attention to, and demand authenticity and transparency. This especially applies to new cohorts of consumers with significant buying power, such as Gen Z or empowered middle class in emerging markets.

The lens of transformation is often used to signify the scale of change required to respond

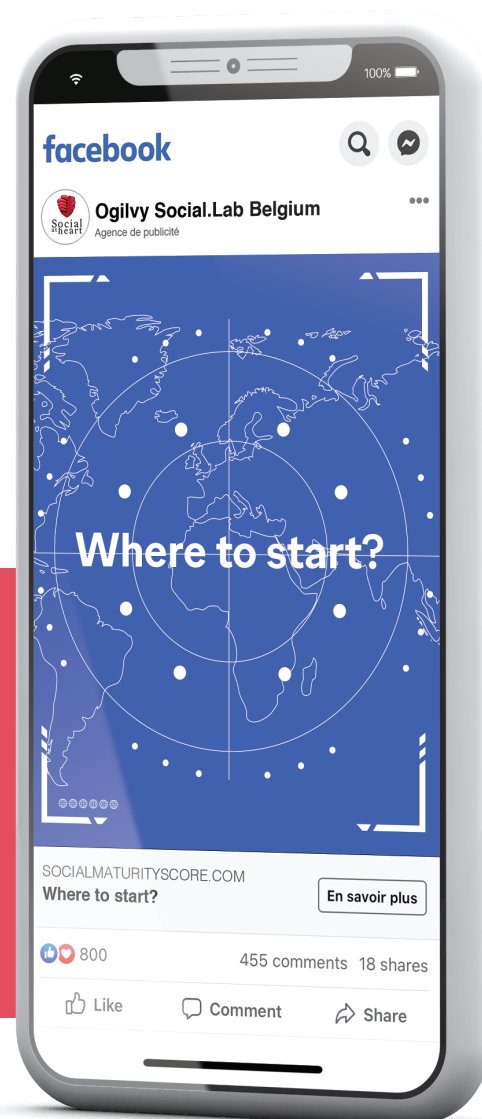
to the complexity, volatility and unpredictability of the world in which brands have to operate nowadays. CMOs are increasingly empowered to lead marketing transformation, becoming “super-CMOs”. At the same time the truth is that “marketing transformation” has become one of the biggest industry buzzwords. Marketing Transformation can be bungled, and, at its worst, it can encompass many rather tactical, reactive or disjointed responses to the challenge, with limited impact on growth. In fact, 85% of digital transformation projects fail to deliver the expected impact². Only 2% of brands have transformed to the levels of digital marketing maturity, which deliver truly transformative growth³.

²2019, WARC Best Practice, Ten steps to successful digital transformation in a marketing organization, <https://www.warc.com/content/article/ten-steps-to-successful-digital-transformation-in-a-marketing-organisation/125575>

³2019, BCG & Google, The Dividends of Digital Marketing Maturity.



For many companies, real marketing transformation and its promise to achieve business value at speed and scale may seem like a journey too far for many reasons:



01

In most cases, it is connected with heavy investments and long delivery timelines due to high involvement of tech and IT. 59% of marketing leaders agree budgetary limitations stand in the way of reaching strategic goals⁴.

⁴CMO Council Q1 – Q2, 2019.

02

There are now more channels, touchpoints and marketplaces available than ever before, bringing new levels of engagement and interaction. But at the same time, making it difficult to prioritize and focus marketing efforts.

⁵2019, The Digital Marketing Institute, "How Is Digital Transformation Changing Marketing?"

03

The abundance of data is drowning many marketers in possibilities. 51% of the CMOs believe they are under delivering data collection, management and analytics.

⁶2019, EMarketer, "The Future of the CMO"

04

Interdependencies with other company functions can inhibit new ways of working and in turn restrict open mindsets. Only 31% of CMOs claim their roles shifted towards a cross-functional approach and 19,5% say it became more of an umbrella function⁷.

⁷2019, EMarketer, "The Future of the CMO"

05

Shorter tenures of CMOs lead to short-termism and constant pressure to deliver quick wins. Notably CMOs have the shortest average tenure among all C-suite roles⁸.

⁸2018, Deloitte Review Issue, "Redefining the CMO"

06

Over-reliance on classic methodologies and restrictive use of creativity (suspended to advertising or promotion part only) lead to generic, undifferentiated solutions⁹.

⁹2020, BCG & Forbes Insights, "A CMO Road Map To Leading in The Post-Covid Era"

07

Marketing transformation is never an isolated endeavor and marketers are reliant on full ecosystem of partners, such as marketing technology partners, data partners, platform partners, and media partners. All of these partners have their own growth agendas and innovation pipelines. They are subjects of external influence from regulators, investors, and others. For example, consider the number of changes Facebook (an important partner for any marketing transformation) has gone through in the past 3 years. This creates additional volatility and unpredictability, which is a reality for every CMO today.



In summary, marketing transformation can be complex, expensive, and slow. Naturally, a question occurs: can the value of marketing transformation be unlocked more easily. Could we help marketers achieve growth faster by increasing speed of achieving business value through marketing transformation?



THE TRANSFORMATIVE POWER OF SOCIAL MEDIA

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 pop culture, connect with friends, discuss with strangers, or even the way we shop. We believe that social media can serve as 'jet fuel' for marketing transformation, accelerating the speed in delivering value through marketing transformation. CMOs have already started to see the value of social in marketing and business, with social media

spend expected to double in the next 5 years, reaching almost 25% of marketing budgets. In the post-COVID era, this growth is likely to be even faster.

Yet, most of the marketers have only 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 marketing transformation:

*¹⁹2019, E-Constultancy Survey; 2020, Forbes, The CMO Survey.
²⁰2020, McKinsey & Company; "The New Normal: The recovery will be digital. Digitalizing at speed and scale"*



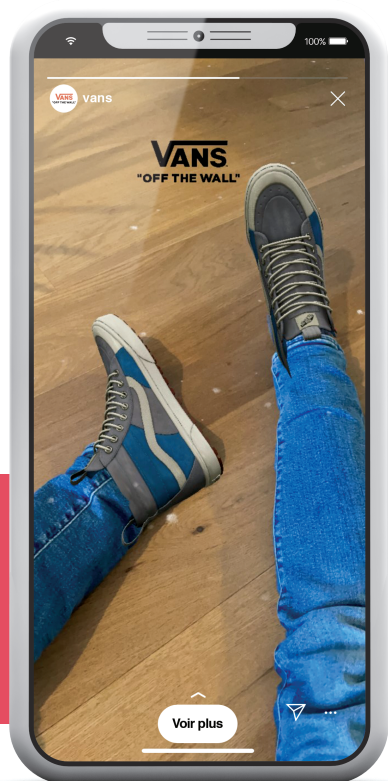
O1

SOCIAL IS IMMENSELY DATA RICH.

Modern marketing transformation is data driven. Most of social data is available for free for marketers to leverage. The use of social data can vary from intelligence about consumers, competitors or specific categories, all the way to the creation of hyper relevant communication, content and experiences through targeting and personalization.

Example:

Our client, a blue-chip IT services & 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 targeting B2B criteria were established, using data from both social platforms, such as job titles, industry, skills, industry groups, interests, job function, and lookalikes. Social data enabled to plan the strategy for a social funnel: using multiple social formats and content. The approach delivered +24% leads above benchmark, +€100M potential revenue pipe, and +71% conversational yield.



O2

SOCIAL ALLOWS CONNECTION WITH CONSUMERS ACROSS THE ENTIRE CUSTOMER JOURNEY.

From driving brand awareness or affinity, to building consideration, delivering conversions, up to 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, which delivers growth in brand equity and sales by engaging potential European customers in the always-on mode. This approach connects at multiple points of customer journey: in the awareness phase, we focus on long-term relevance and top-of-mind. Multiple mid-term-oriented sales activations are closely linked. They engage users on Facebook, YouTube, Instagram, TikTok and Snapchat, and promote key products via social funnel. Each funnel leads to one of e-commerce platforms, or a purchase via social media. The last component of the operating system aims for brand affinity through a content tailored to interests and passion points. This approach achieves scale and relevance: 75% of its market is reached at all times, and initial interest is galvanized to sales at same time.

03

SOCIAL COMMERCE HAS ARRIVED.

It is now the fastest growing capability of social media, allowing brands to accelerate the transition to the e-commerce world without heavy investments in IT or tech. Instead of waiting for a full e-commerce approach to be developed and implemented, companies can test & 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 use the e-commerce, we used a highly targeted life-style ads leading to the e-commerce. This campaign powered by tracking features that link data to in-store purchase information. The campaign generated 371% ROI.

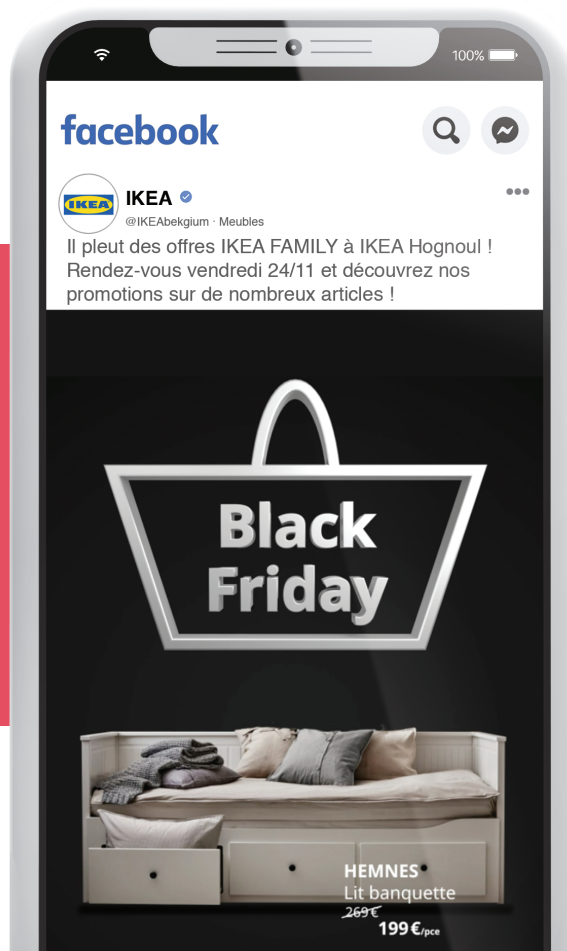
04

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, reflecting that every consumer is different, and that each journey is unique.

Example:

The leading Belgian retailer did not deliver promo leaflets to eight specific zones of the country due to high distribution costs. 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 experience, redirecting to retailer's e-commerce to facilitate the online purchase. This approach reached +135.000 extra consumers, achieved 5x higher opening rate compared the benchmark, and achieved +50.000 new visitors on e-commerce platform. (2018). Reaching 18-million users and +150.000 website visits/year.



05

SOCIAL ACCELERATES PERFORMANCE TRANSFORMATION.

With minimal tech stack requirements, most brands now have the possibility to accelerate its 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, utilizing array of performance tactics such as: dynamic ads, personalization and A/B testing. The ROI increased year over year: +705% (2016), 207% (2017), up to +1172% (2018). Reaching 18-million users and +150.000 website visits/year.

06

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 to value in effectiveness, while internalized content studios and hubs can achieve great efficiencies.

Example:

To accompany one of the world's largest electronics company in the transformation to health technology, we established an in-house center 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 to optimizing creative, media and strategy. This approach enabled the production of up to 500 assets for a single campaign. After 3 years of functioning, the center of excellence covered +30 markets, +250 campaigns worldwide. It's agility, effectiveness and performance were recognized by a Gold Euro Effie in 2019.

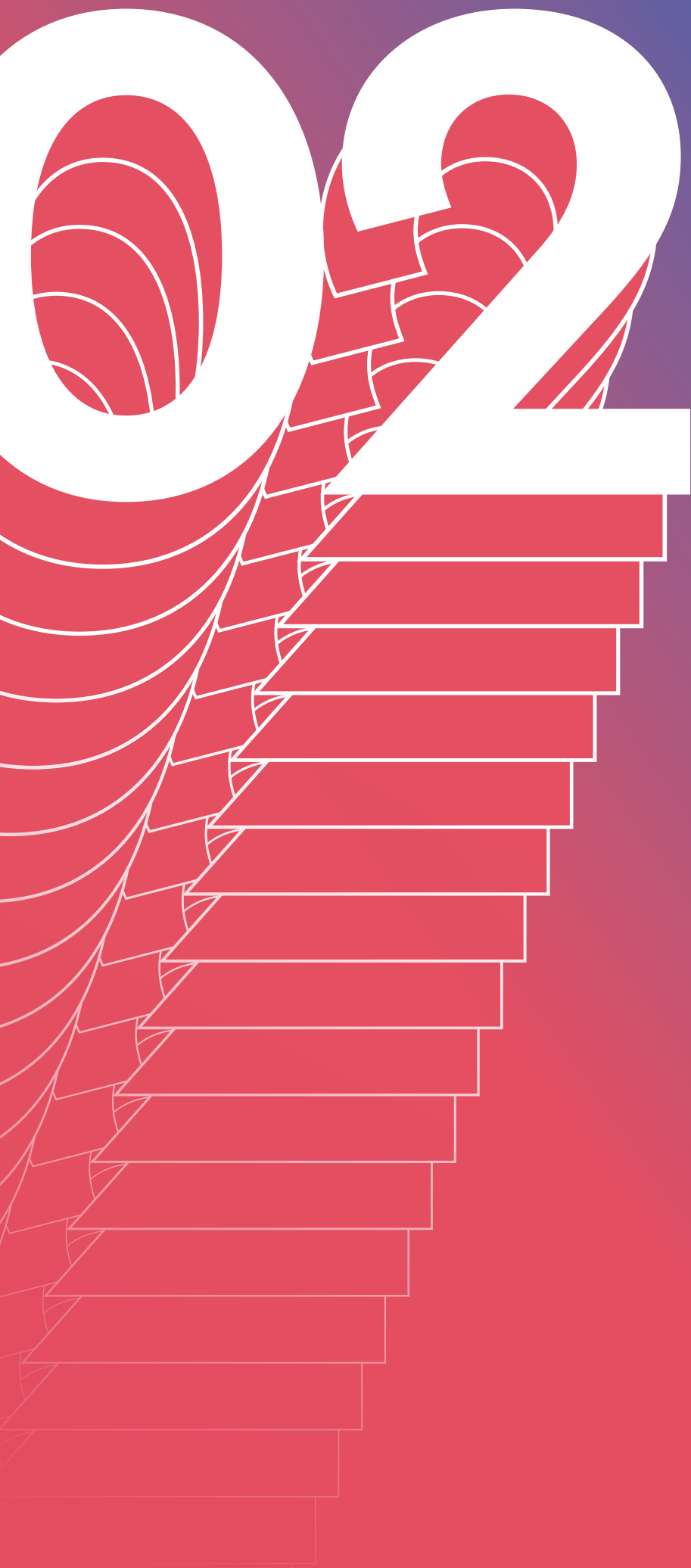
07

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 bridge between media thinking and creative thinking. Social media thinking was part of nearly every project from the start, not just as an 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.



IN ORDER TO KNOW WHERE YOU ARE GOING, YOU FIRST NEED TO KNOW WHERE YOU ARE

Social media can kickstart marketing transformation and accelerate its expected (and often long-awaited) benefits. Most of the value is achieved through focusing on specific parts of social media marketing with the biggest impact.

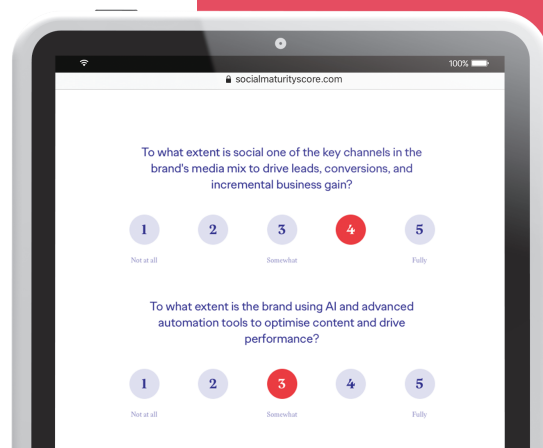
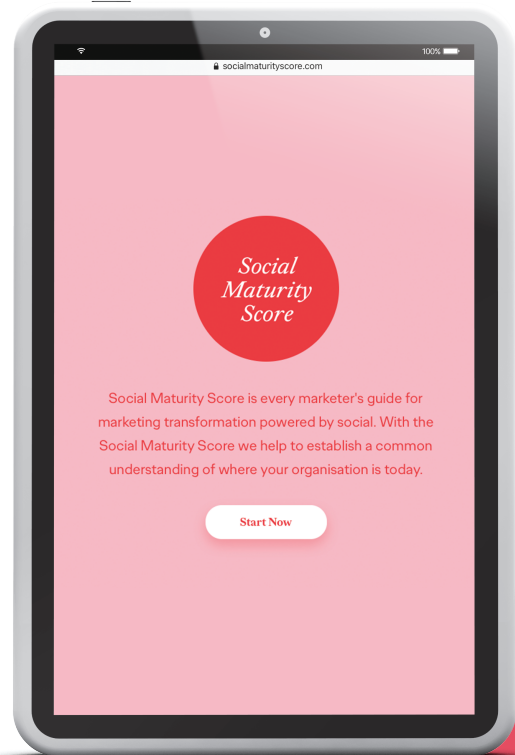
Based on the analysis of +100 brands on social media (including our clients), We identified key capabilities linked to social media, ranging from strategy, content, performance and commerce up to use of

social influencers, data, or communities. We believe that the assessment of current state of maturity in these areas against industry and category best practice is crucial, because they can deliver speed to value for marketing transformation. This is the first step towards a successful strategic plan of actions to accelerate marketing transformation through social media. In other words, to know where you are going, you first need to know where you are.

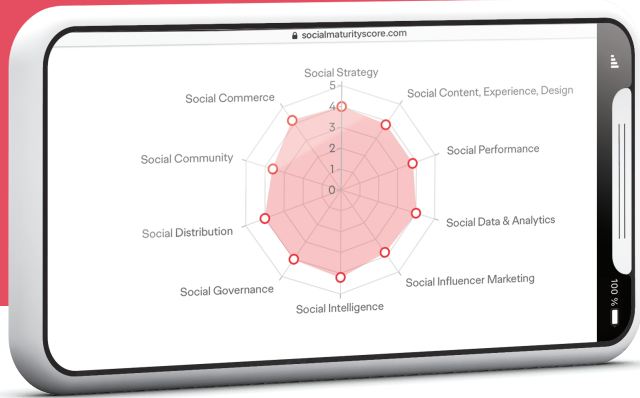
SOCIAL MATURITY SCORE

To find the right mix of capabilities, which can accelerate marketing transformation, we've created the Social Maturity Score. It is every marketer's guide for marketing transformation powered by social media.

With the Social Maturity Score, we help to establish a common understanding of where the organization is today, by scoring its maturity based on 50 questions across the above-mentioned key capabilities of social media marketing. The tool provides an analysis of the strengths and weaknesses of social marketing efforts from strategy, content, creation and media, to use of social data. The results can then be compared to a set of competitors, category, or industry benchmarks. Next, a gap analysis is deployed to ultimately develop a strategic plan of actions, which can deliver value through marketing transformation at speed and scale.



SOCIAL MATURITY: From not present to transformative.



The range of a brand’s maturity and readiness for marketing transformation powered by social can really vary. Ranging from between an already effective capability, to not being present or actively leveraged at all, all the way up to a transformative use of the capability.

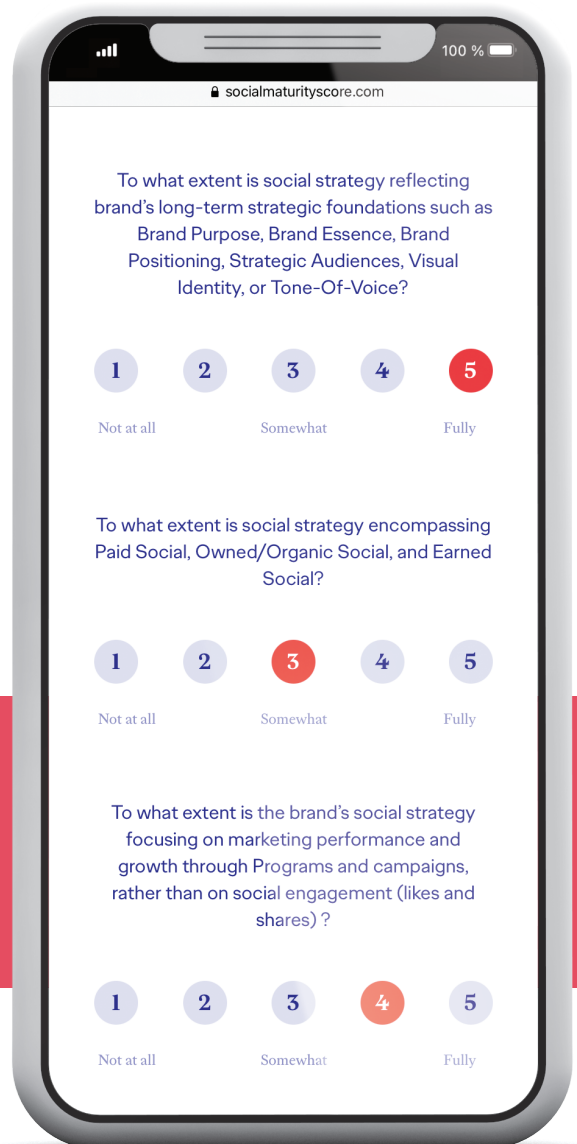
LEVELS OF SOCIAL MATURITY

Transformative	Social capability is fully leveraged, and it has transformative impact on brand and business.
Strategic	Strategic and consistent use of social capability.
Tactical	Social capability is used occasionally or as a tactic.
Basic	Basic and limited use of social capability.
Not present or active at all	No or very limited use of social capability.



TOP SOCIAL MEDIA ACCELERATORS OF MARKETING TRANSFORMATION

Let's take a closer look at key capabilities linked to social media, which can accelerate marketing transformation. We identified ten capabilities to focus on. Each capability can serve as the accelerator of enabler when a brand achieves high levels of maturity.



01

SOCIAL STRATEGY

A brand's social strategy can contribute to the speed at which value is achieved through marketing transformation, especially when its clearly defined and dynamically realized across multiple time horizons. That means the social strategy is interlinked with the overall brand and communication strategy, and it is defined with a long-term perspective, mid-term goals, and short-term objectives in minds. These three levels of social strategy are dynamically connected creatively, through data and earned influence.

*Inspiration: brands at the transformative level of maturity
VANS, IKEA, Airbnb.*

02

SOCIAL IDEAS & CONTENT

Social ideas, content, experiences, design with low levels of maturity, ideas and content are not designed, created, curated nor adjusted for the (mobile) social experience. On the contrary, the most mature brands use social-first design for its brand visual identity, character and tone of voice. These foundations inform ideas that seamlessly transcend between paid, earned, owned media. Transformative social ideas use new formats, experiences, and personalization at scale to engage consumers across the full journey.

*Inspiration: brands at the transformative level of maturity
Burger King, Nike, NASA.*

03

SOCIAL PERFORMANCE

There are still brands which rely on organic distribution, missing out on the full power of social to transform a brand's marketing performance. Social performance can contribute to marketing transformation when social is the primary channel in brand's media mix to drive leads, conversions, and incremental business gain. Marketers are using AI and advanced automation to inform continuous testing, optimization, and value-based forecasting.

*Inspiration: brands at the transformative level of maturity
Phillips, IBM, Lee Jeans.*

04

SOCIAL DATA & ANALYTICS

The most mature organizations implement a robust always-on use of data and analytics (innovative first- and third-party sources) to inform strategy, creative, and performance, which can accurately tie back to business objectives and optimize in-market efforts. The lack of structure around measurement frameworks, which leads to minimal performance analysis and use of Social Intelligence, can really signal low levels of maturity.

*Inspiration: brands at the transformative level of maturity
Amazon, Cadbury, Adidas.*

05

SOCIAL INFLUENCER MARKETING

Influencer partnerships built over the long-term have the biggest impact on marketing transformation. These types of influencer efforts are integral to long-term brand platform and are activated using data-driven distribution. When done right, influencers can boost sales through Influencer Commerce. It is critical that influencers authentically represent a brand, creating a mutual value exchange.

*Inspiration: brands at the transformative level of maturity
Boots UK, Glossier, Red Bull.*

06

SOCIAL INTELLIGENCE

Low maturity for this social capability is defined by minimal use of social insights and data to understand the brand and to benchmark with the competition and industry. Social intelligence can be transformative when a complete understanding of industry, competitors, audience, and brand within the social landscape helps brand to incorporate social insights holistically (leveraging) multiple third-party tools.

*Inspiration: brands at the transformative level of maturity
Diesel, TOPSHOP, Milka.*

07

SOCIAL GOVERNANCE

To succeed, brands need a bespoke operating / governance model built for social to optimize efficiency and to deliver maximum impact on brand and business outcomes, both globally and locally. This needs to include all agency, platform, and data partners. Sadly, there are still many organizations, where the lack of governance leads to uncoordinated social presence globally and locally and siloed teams; resulting in inefficiencies and missed opportunities to grow through social.

*Inspiration: brands at the transformative level of maturity
Nespresso, BMW, Chanel.*

08

SOCIAL DISTRIBUTION

To contribute to marketing transformation, brands need to deploy distribution through the Customer-Relationship-Management (CRM) funnel with social at the core. In this approach customer segmentation is based on Customer lifetime value (CLV) and propensity modelling, and attribution drives business objectives across entire customer lifecycle.

*Inspiration: brands at the transformative level of maturity
KFC, IKEA, Heineken.*

09

SOCIAL COMMUNITY

Many marketers falsely perceive social followers and fans of brands as their communities.

Transformative maturity is achieved when brands truly earn, nurture and build communities that matter. This requires seamlessly weaving online and offline experiences in ways that build brand meaning and drive business impact.

Transformative brands are prepared to actively manage their communities and can activate these during times of crisis.

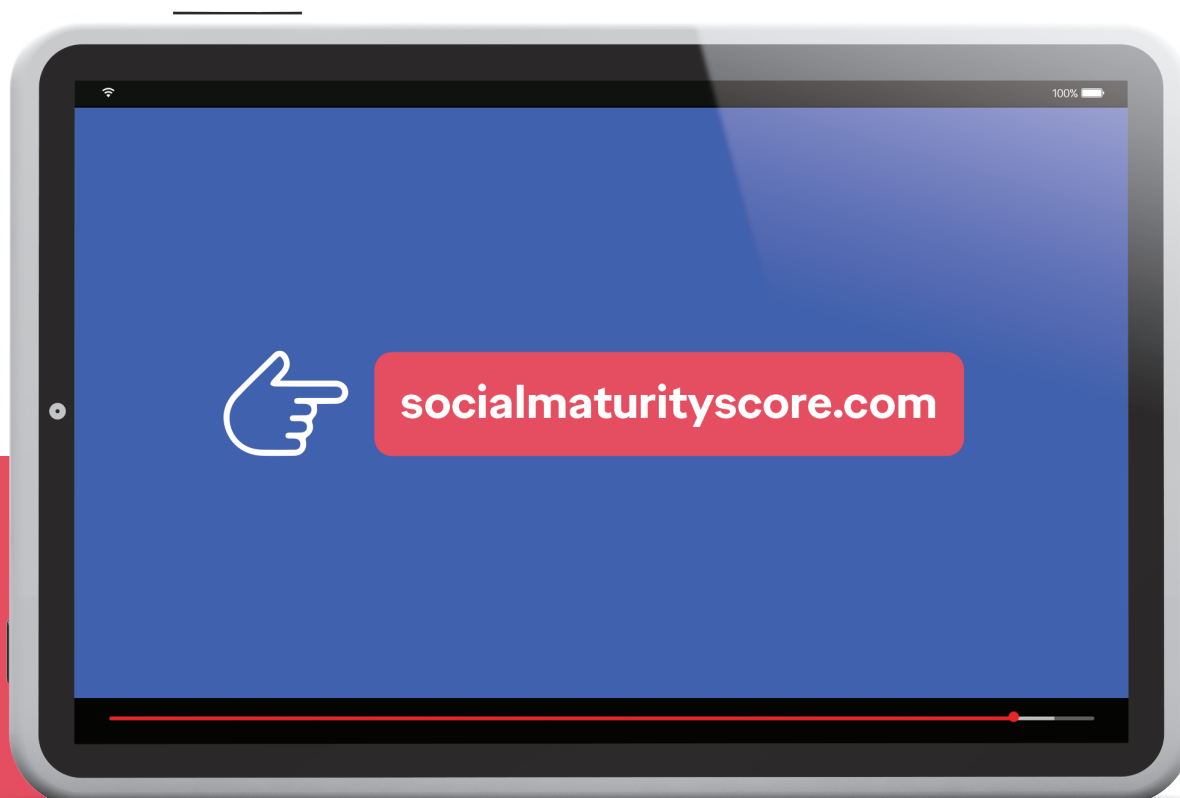
*Inspiration: brands at the transformative level of maturity
Chanel, LEGO, Rapha.*

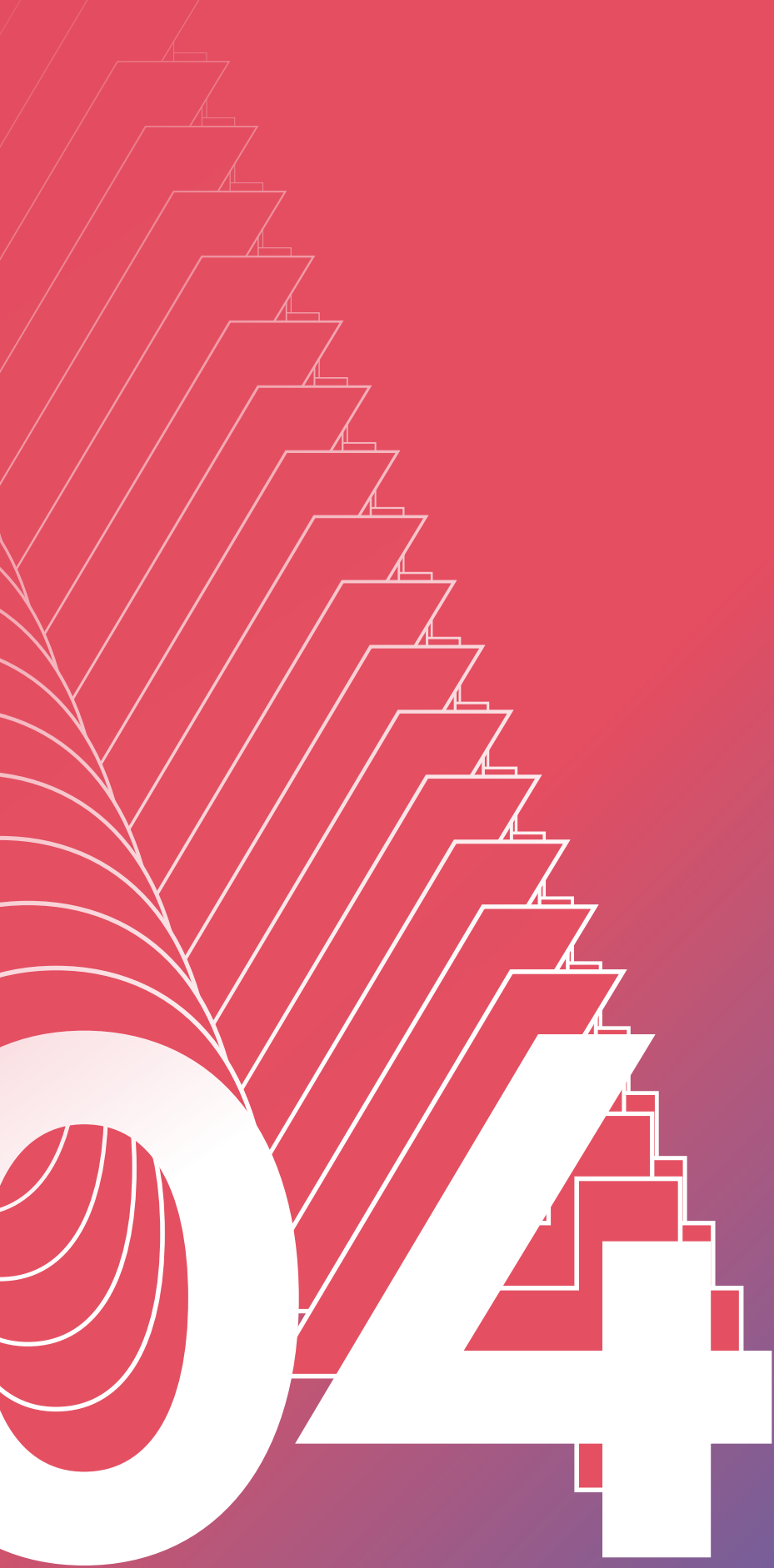
10

SOCIAL COMMERCE

Social can quickly become one of the most dynamic drivers of sales and growth and thus contribute to the speed to value of marketing transformation. Yet, there are still many marketers who don't leverage social as a driver of business. In a low-maturity scenario, use of paid social media is either nonexistent or purely used for the sake of driving engagement

*Inspiration: brands at the transformative level of maturity
Diesel, TOPSHOP, Milka.*





START ADVANCING SOCIAL MATURITY TODAY TO SPEED UP MARKETING TRANSFORMATION

Each company is at a different adoption level of social to fuel marketing transformation. We have developed a detailed methodology to better understand levels of brands' social maturity. This approach consists of answering five questions per capability (50 questions all together).

TO HELP MARKETERS ADVANCE TOWARDS TRANSFORMATIVE USE OF SOCIAL AND ACHIEVE VALUE IN MARKETING TRANSFORMATION AT SPEED, WE'VE MADE THE SOCIAL MATURITY SCORE TOOL FREELY ACCESSIBLE ONLINE AT WWW.SOCIALMATURITYSCORE.COM

Social Maturity Score is a first step of a longer journey. This initial assessment can be independently completed by marketers, or collaboratively with their social experts. A deeper analysis and assessment must ideally follow this process. A brand's Social Maturity Score can be further compared with competitors and/or with the overall level of maturity within a brand's category.

- ✘** Detailed output diagnosing social maturity across all ten capabilities.
- ✘** Point-of-view, or commentary from our social experts.
- ✘** Best-in-class examples of brands in the high-levels of maturity.

As the next steps, marketing transformation & social experts identify current gaps in capabilities internally and against competitors (Gap Analysis). Teams align to the business objectives, identify focus pillars and prioritize future planning against cost/benefit and speed to value analysis.

In order to take the very first step on your marketing transformation journey, either access the tool for free at www.socialmaturityscore.com or contact social experts at Ogilvy. It's time for marketing transformation to reward businesses.

Let social media accelerate and scale the value from marketing transformation for your brand.

Contributions: Awie Erasmus, Mathieu Gillian, Christophe Chantraine and Rob Hill.



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