

# The Social Business Report 2018

*A global study on the strategic role of  
social media in financial services*





# Executive Summary

Social media has expanded beyond the corporate marketing team and touches every aspect of financial services communications.

From advisors to executives to employees, every individual has a voice on social and the potential to influence customers. As a result, we're seeing multiple departments across financial services organizations using social media strategically and effectively to deliver real business results—even within the confines of strict compliance regulations.

Hootsuite's Social Business Report explores the extent to which financial services organizations are deploying social media strategies such as social marketing, social selling, social advocacy, and social customer service, and identifies if and how teams and departments are working together to unify these strategies.

The study found that 38 percent of organizations have implemented social initiatives in at least four areas of the business. Yet along with new opportunities, growing adoption of social media across organizations introduces new challenges. While social is used as a strategic tool in several areas of the business, social activity and data are siloed, resulting in challenges such as the inability to measure and prove the return on investment in social media.

Our Social Business Report outlines the unique challenges and opportunities facing financial services today and offers recommendations to management for social media consolidation, integration, and investment in the growth areas of social selling and social advocacy.

# Research Methodology

In March 2018, Hootsuite commissioned a global survey of 322 social media decision makers from large financial services organizations. Specifically, respondents represent large wealth management, asset management, and insurance organizations with over 500 employees and a network of at least 200 advisors, brokers, agents, or wholesalers.

The survey was conducted by a third-party research partner. To avoid bias, Hootsuite was not mentioned as the sponsor of the survey.



## 322 social media decisions makers:

North America (NA) n=**100**

Europe, Middle East, and Africa (EMEA) n=**121**

Asia Pacific (APAC) n=**101**



## Large asset management, wealth management, and insurance organizations:

<1,000 employees **36%**

1,000–4,999 employees **38%**

>5,000 employees **26%**



## Organizations with large distributed seller networks:

<500 advisors/agents **32%**

500-999 advisors/agents **21%**

1,000-4,999 advisors/agents **31%**

>5,000 advisors/agents **16%**

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## SECTION 01

# How social media is driving strategy in financial services



**WHEN FINANCIAL SERVICES ORGANIZATIONS** began adopting social media, compliance capabilities played a primary role in their technology decisions. Heavily regulated financial services organizations had no choice but to prioritize compliance over social media functionality, scalability, and the ability to measure return on investment.

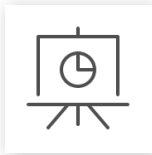
Since that time, compliance has become a baseline requirement for social media platforms in financial services. With regulatory requirements covered, departments beyond marketing have been able to adopt social media and use it to drive sales, engage employees, enhance the customer experience, and recruit top talent. In fact, 75 percent of respondents agree that social media is more important to their business today than it was two years ago.

This expansion of social media across the organization has elevated its strategic importance. With 75 percent of respondents reporting that their executive teams now view social media as a strategic area of focus for the business, the conversation has changed from containing and mitigating the risk of social media to proving its value and integrating it across the business.

Against the backdrop of today's privacy and security landscape, compliance remains top-of-mind, particularly when choosing enterprise technologies to manage social media campaigns and programs. Sixty-five percent of respondents have automated at least part of their content preapproval process—and with the introduction of the General Data Protection Regulation (GDPR) in EMEA, it's no surprise that the region is leading its global counterparts in automating preapproval compliance.

While compliance is fundamental, many other considerations are now at play when choosing a technology that will meet the social media management requirements of various teams across the organization.

Today, businesses are seeking to prove and grow the value of social by integrating it with business-critical technologies such as customer relationship management, customer service and help desks, and business analytics. However, there are many opportunities to drive new means of collaboration within and beyond the organization.



## Adoption of social media in finance: key initiatives

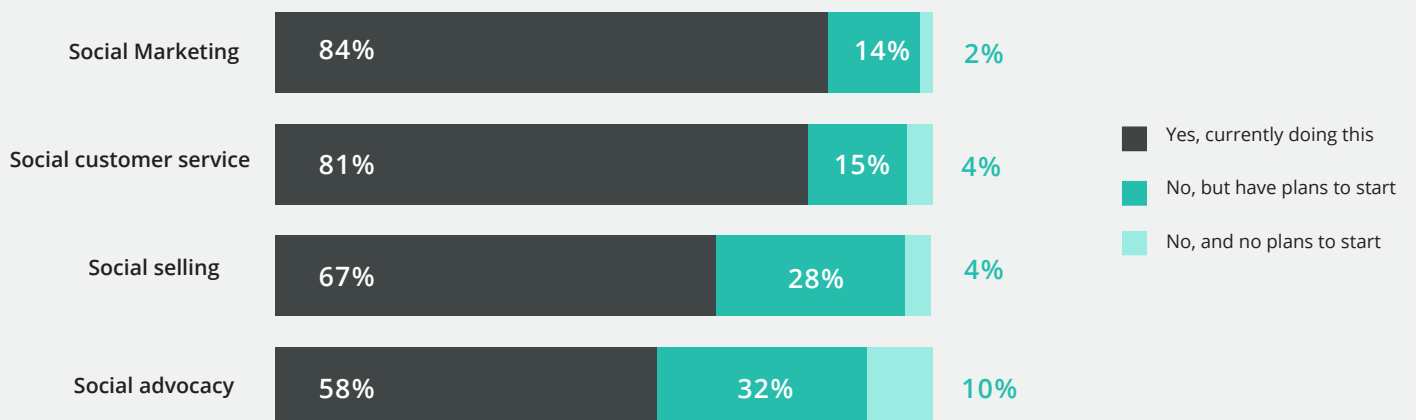
Our study found that social media has been adopted in four key areas of the financial services organization: marketing, sales, customer service, and employee advocacy. Unsurprisingly, marketing and customer service are the most common use cases for social media, with adoption of social programs in these areas at 84 percent and 81 percent, respectively.

Growth areas include social selling and employee advocacy. Two-thirds of financial services organizations are using social media as part of their sales process, and almost one third intend to adopt it in the next 12 months.

A [study](#) commissioned by Hootsuite and conducted by Forrester Consulting identified that “social is quickly becoming a dominant channel for the 21st-century B2B selling organization” and that buyers are increasingly using social networks to research their purchases.<sup>1</sup>

To that effect, peer influence is also at an all-time high. And financial services organizations are taking note—58 percent have already implemented an employee advocacy program.

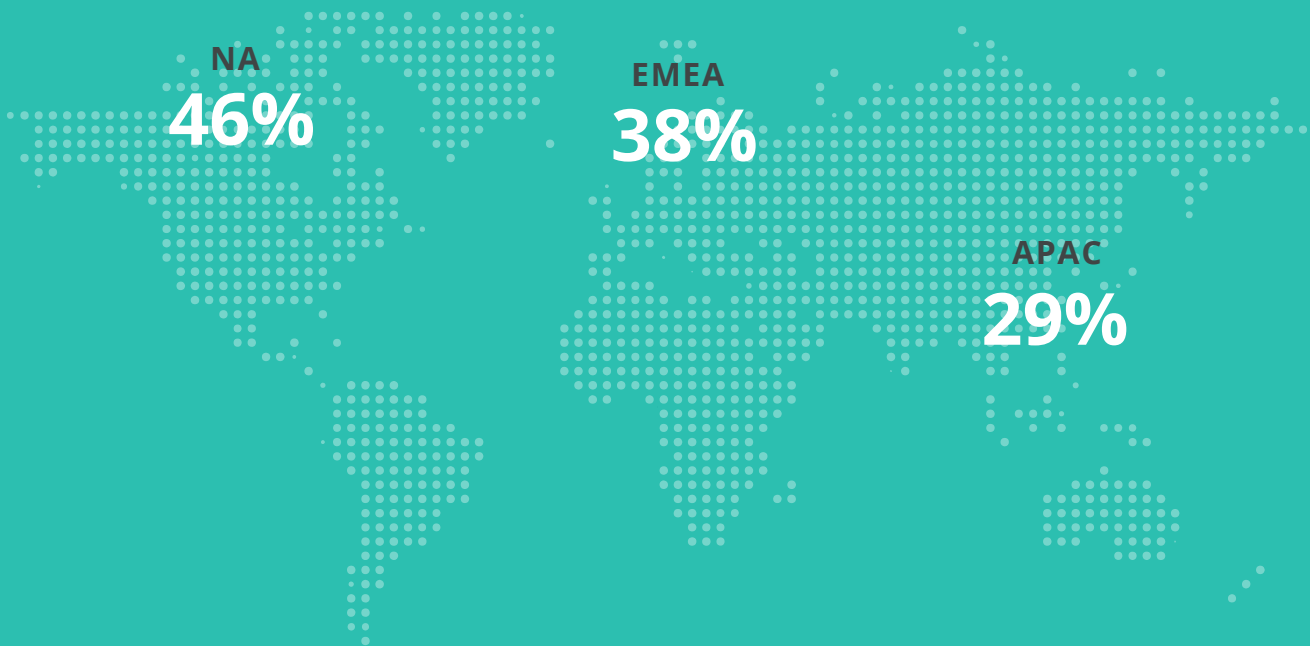
### Implementation of social media initiatives



North America leads other geographic regions in implementing social programs, particularly when compared to the Asia-Pacific region. In North America, 46 percent of companies have implemented all four initiatives (marketing, customer service, selling, and advocacy), compared to just 29 percent of companies in the Asia-Pacific region.

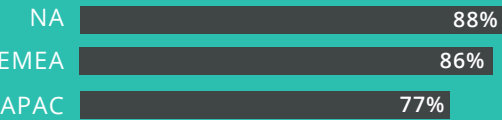
## North America leads APAC and EMEA in adoption

Adoption of all four social initiatives by region:

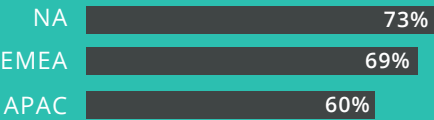


Adoption of each social initiative by region:

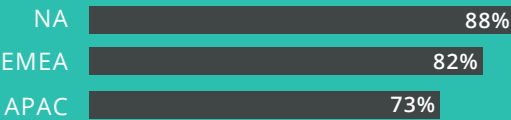
### SOCIAL MARKETING



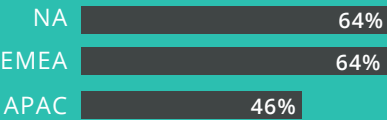
### SOCIAL SELLING



### SOCIAL CUSTOMER SERVICE



### SOCIAL ADVOCACY



## 1. Social marketing

Social media can help financial services organizations reach and engage massive audiences with pinpoint accuracy—so it's no surprise that marketing is the most widely adopted application of social media in financial services.

However, within marketing departments, social media is predominantly used for top-of-funnel marketing activities (brand awareness) and for engaging with customers.

Of the eight social marketing activities identified, 50 percent of organizations reported using four or less, leaving room for growth. Paid social advertising, for example, presents a substantial opportunity for efficient targeting, but just 54 percent of respondents are using this to their advantage today.

Because financial organizations have access to rich sources of customer data, Lookalike Audience modeling in Facebook (a strategy to help organizations find more people who look like their current customers and website visitors) remains an attractive opportunity. Other opportunities include mobile video ads on YouTube, as well as retargeting LinkedIn prospects on Instagram to reach the same audience at a lower cost.

### Adoption of activities in a social marketing program



*Q: Thinking about your social marketing program, which of the following ways does your organization currently use social media? (select all that apply)*





## Social marketing at Legal & General

Legal & General turned to social media to drive an important campaign, “Tackling the Great British Money Taboo,” to increase brand awareness and drive a positive perception of Legal & General. The campaign highlighted transparency in the financial industry and encouraged people to speak openly about money.

*We are creating useful resources that help people understand the issues and navigate the all-too confusing jargon in finance. Social listening helps us get closer to our customers and the real issues at hand.*

### **Sarah Daley**

Experience Manager, Legal & General

## 2. Social customer service

Social media is the channel of choice for customer service requests, with almost 30 percent of social media users preferring social customer service to telephone support. And this preference isn't exclusive to younger generations—even over-65s use social care, with 17 percent preferring it to the telephone.<sup>2</sup>

Gartner predicts that by 2020, 90 percent of companies will be using social media for customer service.<sup>3</sup> Our research confirms that financial services organizations are adopting social media media for customer service, with 81 percent of respondents currently delivering services via social media.

This makes business sense because social media costs less to manage than other channels. In fact, social customer service can cost up to \$5 less per interaction than traditional customer service channels like phone and email.<sup>4</sup>

Social media is also less resource-intensive, with social agents able to handle four to eight times more issues per hour than phone agents.<sup>5</sup> And advances in artificial intelligence and chatbot platforms ensure that we'll continue seeing new opportunities for efficiencies in social customer service in the future.

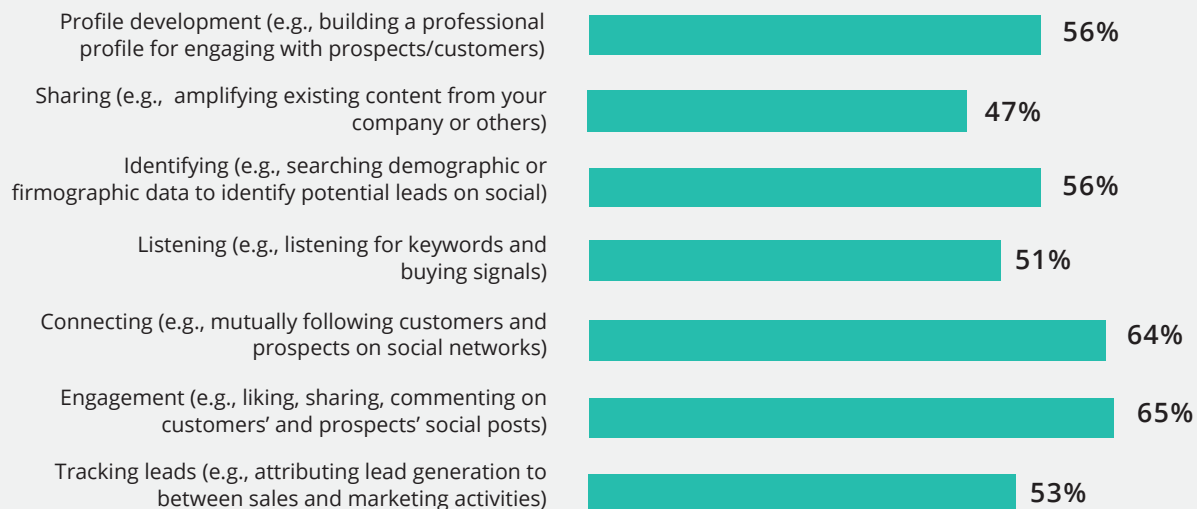
### 3. Social selling

Social media is informing purchasing decisions and having a profound impact on direct sales. The buyer journey has become increasingly complex and sales teams have had to adapt to meet buyers where they are—on social media.

Our study found that in 78 percent of organizations, social media has been widely adopted by advisors, brokers, agents, and wholesalers to drive sales revenue. Yet although advisors are active on social, only 67 percent have implemented a social selling program. This could mean that a proportion of advisors, brokers, agents, and wholesalers are taking advantage of social media for selling without the protection of an official, compliant social selling program.

The data also reveals that financial advisors are most likely to be connecting (following) and engaging (liking, commenting, and so on) with potential buyers on social but less likely to be listening for buying signals, sharing company content, or tracking leads. These findings are reflected in Forrester's study on social selling for B2B, which reports that few advisors are taking a full programmatic approach to using social media for sales.<sup>6</sup>

#### Adoption of activities in a social selling program



*Q: As part of your social selling program, which of the following activities do you agents / advisors / brokers / wholesalers typically execute on social media as a representative of your organization? (select all that apply)*



## Social selling: Canaccord

Canaccord uses Hootsuite Enterprise and Amplify to consolidate its corporate marketing and social selling efforts. The solution equips advisors with data to help them fully understand the impact of their social selling efforts and, in turn, informs the marketing department so it can create highly targeted advertisements based on trends and performance.

*Social media gives our advisors the confidence to deepen relationships and grow their networks online by connecting, listening and engaging, knowing that the technology manages any compliance and regulatory concerns.*

### Alley Adams

Manager of Digital Strategy, Canaccord Genuity Wealth Management Canada

## 4. Social advocacy

Fifty-eight percent of respondents have adopted social advocacy initiatives. Social advocacy is often used to showcase an authentic view of the business to attract talent and foster employee engagement. Departments that wouldn't typically use social media—such as human resources and internal communications—have found benefits in sharing job opportunities and promoting company culture.

One key area of opportunity for social advocacy is with the executive team. Just 53 percent of respondents are using social to build the personal brands of senior executives.

### Adoption of activities in a social advocacy program



*Q: Now thinking about your social advocacy program, which of the following ways does your organization currently use social media? (select all that apply)*

Research by LinkedIn and Hootsuite found that executives have a key role to play in using social media to enhance the reputation of their firms, attract talent, and increase sales, with CEO or executive engagement leading to a 40 percent increase in employee engagement.<sup>7</sup> In fact, more than 75 percent of the top 50 highest-rated CEOs on Glassdoor are active on social media.<sup>8</sup>



## Social CEO spotlight: Manulife

There's no need for every CEO to try to become a social media celebrity like Richard Branson or Sheryl Sandberg. Instead, CEOs can extend their natural ability to lead from the traditional boardroom to digital channels.

Manulife president and CEO Roy Gori does this really well. He has a following of over 11,000 on LinkedIn, where he shares content from thought leaders he admires to engage industry peers and build his personal brand.

Upon joining Manulife, Roy released a video on YouTube called Scaling New Heights, where he outlined his mandate in an inspiring way and set the tone for his style of social engagement. Roy is active on Facebook and Instagram, using his handle @thegoridetails to engage employees by sharing more personal thoughts about his work and home life.

Today, Roy's CEO approval rating on Glassdoor is 88 percent.



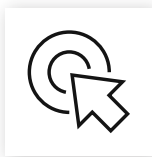
11,000 + followers



5,700 + views on YouTube



88% Glassdoor approval rating



## Business value of social media

Our research reveals that when organizations broaden their social strategy, there is a direct impact on the business.

In fact, organizations that implement four social initiatives are more likely to see greater business value, including reaching new customers, increased deal sizes, and improved campaign effectiveness.

### Broad initiatives increase business value of social

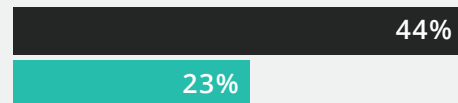
#### Reached new customers:

Organizations implementing 4 social initiatives  
Organizations implementing 2 or less social initiatives



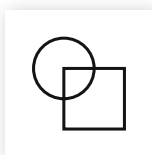
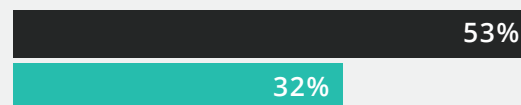
#### Increased deal sizes:

Organizations implementing 4 social initiatives  
Organizations implementing 2 or less social initiatives



#### Increased campaign effectiveness:

Organizations implementing 4 social initiatives  
Organizations implementing 2 or less social initiatives



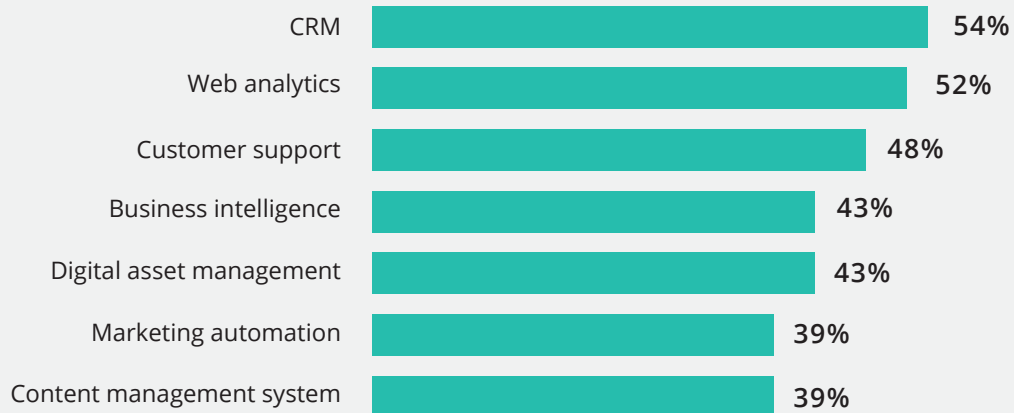
## Integration of social media with business-critical technology

Financial services are integrating social data with a growing number of other business technologies.

The most common integration is with customer relationship management (CRM) systems to attribute pipeline, closed revenue, and customer interactions to social activity and web analytics to attribute web conversions to social activity.

Digital asset management integration allows greater visibility into content performance, and marketing automation supports stronger audience profiling, targeting, and cross-channel strategies.

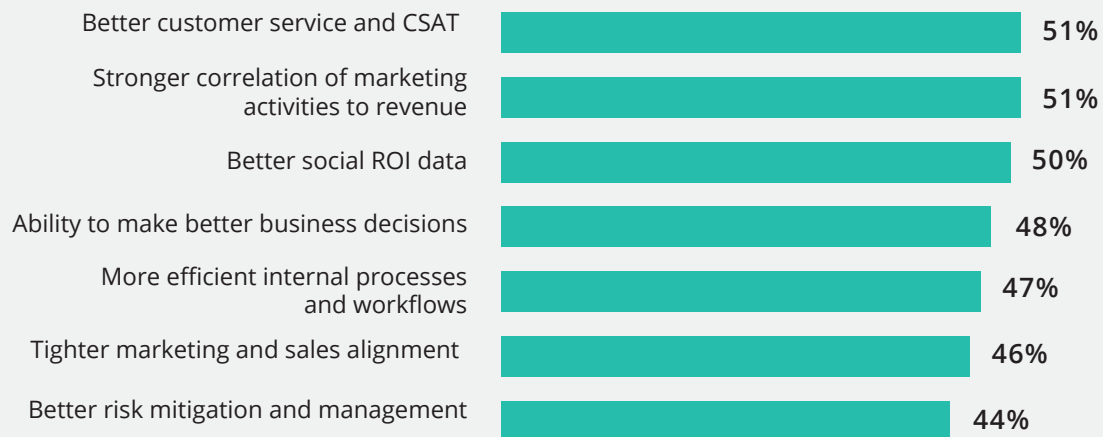
## Technologies integrated with social media



*Q: Which of the following technologies is your social media integrated with? (Select all that apply)*

When social data is integrated with other business technologies, the benefits range from better customer experience to stronger revenue attribution and return on investment (ROI) metrics.

## Benefits of integrating technology with social media



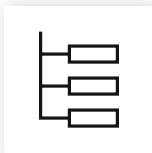
*Q: What benefits do you see from integrating social media with other business technologies? (Select all that apply)*

# Challenges for financial services organizations adopting social media



**THE INCREASED USE OF SOCIAL MEDIA** in financial services organizations is creating new business challenges—most significantly, isolated ownership of social programs and lack of cross-departmental collaboration. The byproducts of these challenges include siloed data and inefficiencies in human resources, technology, and knowledge-sharing.

Financial services organizations have reached a defining moment for social media strategy. To succeed in measuring social ROI and proving the value of social, organizations must overcome these ownership and resource challenges.



## Social media strategies and data are siloed by department

Almost three quarters (74 percent) of organizations are using social media in several departments and the four key social initiatives identified in this study (marketing, customer service, selling, and advocacy) are typically owned by four different departments.

Not only is ownership decentralized, but almost half (44 percent) agree there is no collaboration on social media usage and strategies across departments.

## Primary owners of social initiatives

- Social marketing → Marketing department
- Social selling → Sales/distribution department
- Social advocacy → Variety of departments (PR, executive team, IT, HR)
- Social customer service → Customer service department

And it's not just social media activities that are siloed—so is the data. Across these initiatives, organizations are using several tools and platforms to publish, engage, and report on social media, resulting in fragmented data and an incomplete view of their customers and results.



**3 out of 4 companies** use at least three separate social media technologies across their social initiatives.

When organizations use multiple technologies for social media management, they risk underreporting the impact of social media activity as a whole. Using one tool to manage social media across all four initiatives results in a single source of social data and enables comprehensive measurement of—and attribution to—social media activities.



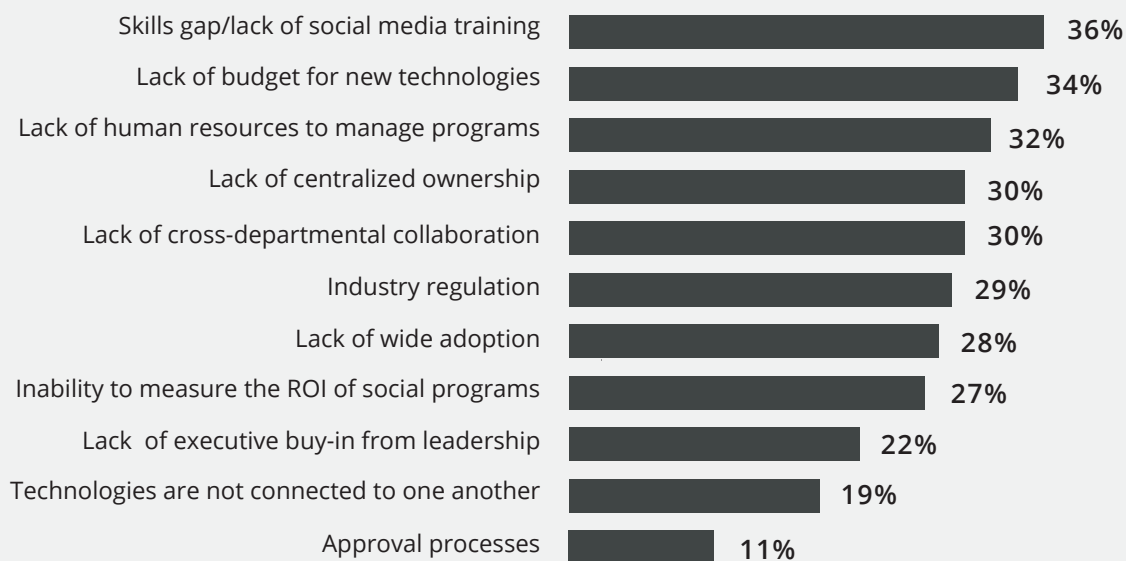


## Skills, budget, and resource gaps are barriers to success

Respondents report that the biggest barrier to success on social media is a skills gap and lack of training.

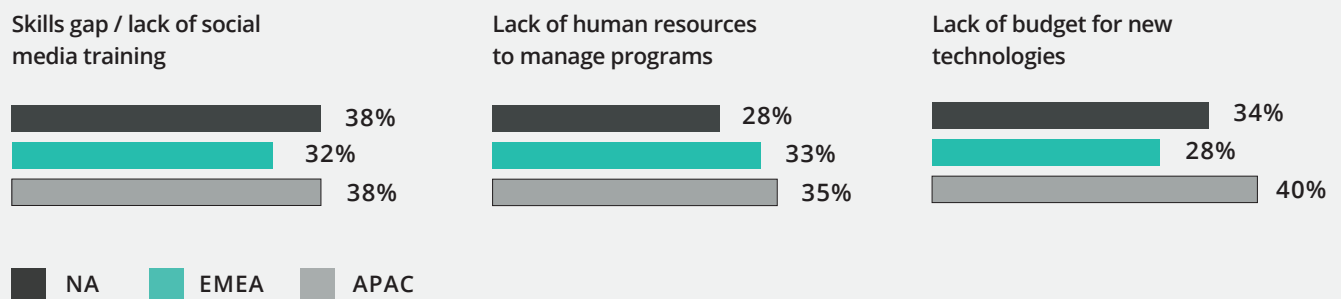
The speed of change in social media can make it challenging for organizations to keep up. Whether it's adapting to changing algorithms, measuring ROI, or adding live broadcasting into your strategy, social is always changing. Along with the skills gap, social activities are under-resourced and lack budget allocation for critical technologies.

### Barriers to social media success



Q: Which of the following barriers make it difficult for your institution to be successful on social media? (Please select all that apply)

### Top social media challenges are universal



# Three areas of focus for social media success in financial services



**THE CHALLENGES IDENTIFIED IN THIS REPORT** present great opportunities for financial services organizations to take a step back, reevaluate social media efforts, and adopt a more holistic approach to building a social media strategy.

There are three main areas for improvement:

- By activating employees across the business to build social media activities into their workday, organizations will see greater business results from initiatives such as social selling and social advocacy.
- By consolidating social media technologies, organizations will gain efficiencies in resource and technology spend, and knowledge sharing.
- By integrating social media with other business applications, organizations will be able to prove the ROI of social media and gain a better view of customer engagement and activity across the business.

## 1

### Activate employees on social to drive revenue and build trust

People today want to see the human side of brands. This can be challenging for financial services organizations, which have traditionally been conservative when it comes to corporate communications.

Our research shows that organizational culture is changing, with social selling, social executive programs, and employee advocacy programs increasing in popularity.

## Drive revenue through your advisor network with social selling

A study by Putnam Investments found that 85 percent of financial advisors already use social media for business.<sup>9</sup> This new wave of social advisors is reaping the benefits—over 80 percent say that social media shortened the selling cycle and attribute an average revenue gain of \$5 million directly to social media.

But social selling isn't just about curating and sharing content. Organizations need a programmatic approach to ensure success, incorporating technology, training, success metrics, measurement, and more. With a formal social selling program, your organization can track the return on investment of advisor activity while complying with financial industry rules and regulations.



### How Hootsuite helps

Hootsuite offers a comprehensive training program designed specifically for financial advisors, which can help organizations build and scale a social-savvy advisor network.

*We've long seen online engagement as a tremendous opportunity. The challenge has been how to be responsive in real time, while remaining compliant. We are confident that this industry-leading initiative by Canaccord Genuity Wealth Management Canada and Hootsuite satisfies that goal.*

#### Stuart Raftus

President, Canaccord Genuity Wealth Management Canada

## Build a social executive program to increase trust, engage employees, and encourage employee advocacy

Executives can be wary about using social media, often worrying about exposing themselves or their organization to unnecessary public scrutiny. The benefits, however, far outweigh the risk.

Social executive programs don't just engage employees and help attract fresh talent; they also build systems to respond to escalating situations on social media with speed and transparency. For example, in an unfortunate event such as a data breach, a tweet from the CEO will travel further and carry more weight than a faceless apology in a press release.

If the executive team is active on social, they lead by example, making it easier for organizations to roll out employee advocacy programs. In turn, content shared by employees receives eight times more engagement than content shared by brand channels, helping to increase brands' organic reach on social media.<sup>10</sup>

Advocacy programs also have the added benefit of increasing employee engagement. According to Qualtrics, engaged employees are 20 percent more likely to stay at their company and are 4 times more satisfied with their day-to-day work life. <sup>11</sup>



### How Hootsuite helps

Getting started with social executive and employee advocacy programs is easier when you have the right technology partner. Hootsuite Amplify features an intuitive mobile-first interface that makes it easy for employees to find content and share it with their networks.

With your social selling programs and marketing campaigns running on the same platform, you can simplify administration and reporting by managing it all within the Hootsuite dashboard. And with extensive employee advocacy training programs that can be rolled out to all teams, Hootsuite's training specialists are ready to set your organization up for success.

2

## Consolidate platforms to expand social across the organization

Almost half of respondents say there's no collaboration across departments—and more than three-in-four organizations use at least three different platforms to manage their social media. This creates data silos and inefficient workflows.

By adopting one social media management solution that suits all business needs, organizations can create efficiencies in resource and technology spending, share key learnings across the business, and measure the impact of social at a strategic level. Furthermore, you can select a best-of-breed compliance partner to integrate with, ensuring your compliance covers all social media activity across the organization.



### How Hootsuite helps

Hootsuite is unique because it's not just a social selling tool—it's an entire social ecosystem that enables organizations to use social for selling, marketing, advocacy, and customer service—all from a single platform. This provides a single source of social data and governance that can then be integrated with other business-critical technologies such as CRM, automation, and compliance.

# 3

## Integrate social with critical business applications to increase efficiencies and prove return on investment

With social media taking a more strategic position in financial services, proving the return on social media investment will be key to making the case for increased resources and technologies.

To prove ROI, you'll have to demonstrate tangible business results such as increased sales, increased conversions, decreased costs per customer service transaction, increased employee engagement or retention, or more positive brand perception.

To make the connection between social media activity and business results, organizations need to integrate social data with other technologies so it can be aggregated with other business intelligence data.

For example, by integrating social media channels with help desk and ticket management systems, organizations can create a unified view of customer interactions, helping them track efficiencies gained in time and number of touches to resolve inquiries. And by integrating social media channels with CRM and content management systems, organizations can attribute web conversions—and subsequent pipeline and closed business—to social media activity.



### How Hootsuite helps

With more than 250 best-of-breed partners and integrations, Hootsuite has the largest ecosystem of any other social media management platform, making it easy to integrate with any enterprise technology stack.

#### The social business: Aberdeen Standard Investments

Aberdeen Standard Investments started by ensuring it had a local social presence across its core global markets, seeing particular success in Italy, Americas, and United Kingdom. The team enhanced activity further by driving a staff enablement program across their sales team and wider, educating on the benefits of having a voice across social media.

Today, they have members of the sales team across the globe who have undergone an “authorised user” training accreditation which gives them flexibility to engage with clients and prospects across their social media accounts, in a compliant and controlled manner.

*By integrating social media into several areas of the business—from marketing and brand, to sales with employee advocacy — and taking the wider business on a journey, we've been able to empower our business to engage with our clients and prospects in innovative ways.*

#### Mathew Greenlay

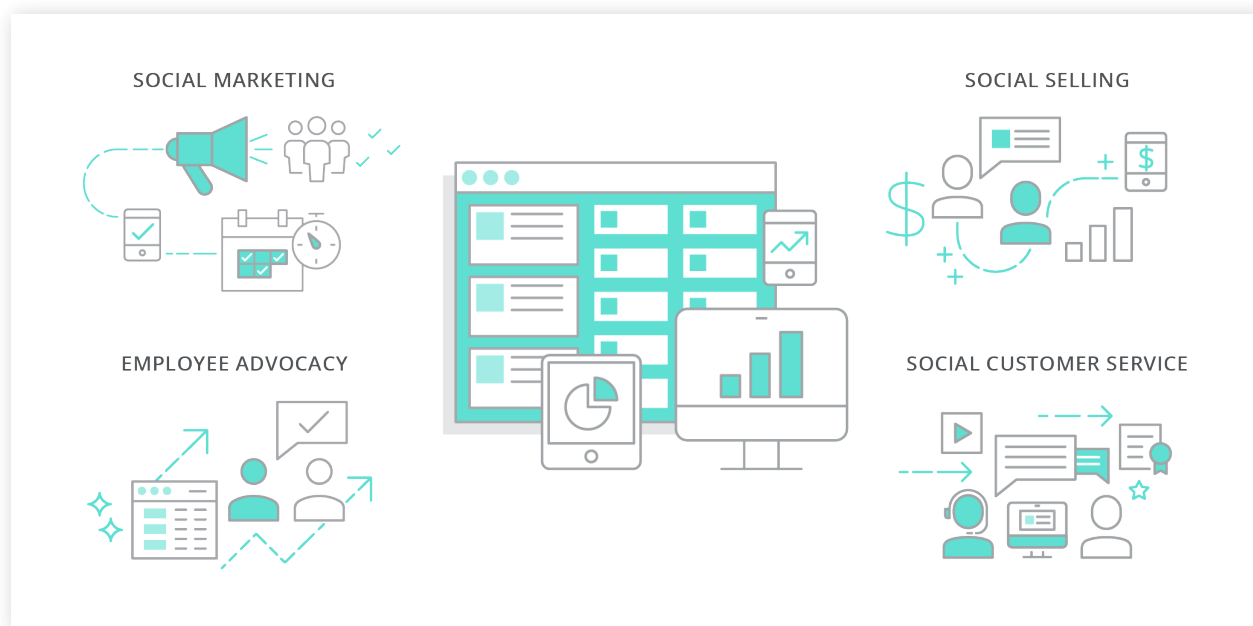
Head of Digital Marketing, Aberdeen Standard Investments

# Endnotes

- <sup>1</sup> Forrester. [Social Selling: A New B2B Imperative](#). 2017.
- <sup>2</sup> Harvard Business Review. [Turn Customer Care into “Social Care” to Break Away from the Competition](#). 2012.
- <sup>3</sup> Gartner. [How to Manage Social Media Engagements for Customer Service](#). 2015.
- <sup>4</sup> Gartner. [Use this Beginner’s Guide to Outsourcing Social CRM](#). 2012.
- <sup>5</sup> Gartner. [Use this Beginner’s Guide to Outsourcing Social CRM](#). 2012.
- <sup>6</sup> Forrester. [Social Selling: A New B2B Imperative](#).
- <sup>7</sup> Hootsuite. [How Social Executives are Transforming the Financial Services Industry in Australia](#). 2016.
- <sup>8</sup> Edelman. [Why CEOs Need Social Media](#). 2016.
- <sup>9</sup> Putnam Investments. [The Putnam Social Advisor Survey](#). 2017.
- <sup>10</sup> Social Media Today. [From Employee to Advocate: Mobilize Your Team to Share Your Brand Content](#). 2014.
- <sup>11</sup> Qualtrics. [US Employee Pulse](#). 2017.

# About Hootsuite Enterprise

Partner with Hootsuite to accelerate your social transformation



Hootsuite is the most widely used platform for managing social media, loved by over 16 million people around the globe and trusted by more than 800 of the Fortune 1000. Hootsuite Enterprise empowers organizations to execute business strategies for the social media era and scale social media activities across multiple teams, departments, and regions. Our versatile platform supports a thriving ecosystem of social networks complemented by 250+ business applications and integrations, allowing organizations to extend social media into existing systems and programs.

Along with our channel and agency partners, we help organizations build deeper relationships with customers, stay connected to the needs of the market, grow revenue, and draw meaningful insights from social media data. Innovating since day one, we continue to help organizations pioneer the social media landscape and accelerate their success through product training, group training and tailored organizational training, as well as security and compliance services.

Request a custom demo today by visiting [hootsuite.com/financial-services](https://hootsuite.com/financial-services).

Trusted by over 700 financial service customers

