

Social Media Marketing

India Trends Study
2016

Third edition

The EY logo consists of the letters 'EY' in a bold, white, sans-serif font. A yellow diagonal bar is positioned above the 'Y', extending from the top right towards the center of the 'Y'.

Building a better
working world



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Foreword



Dear reader,

Customer is at the heart of everything that we do. Over the last three years, we at EY have been passionately exploring how digital media is transforming businesses and how brands in India are adapting to the online behavior, demands and expectations of social media responsive and digitally acquainted customer. We have seen how customers have matured, not to forget an entire set that have skipped the desktop era and how brands have shifted their focus on building trust, credibility and creating differentiated customer experiences.

There has never been a better time than now to ask, know and learn more about this customer. Having said that, as a marketer there is also an inherent need to be mindful of their aspirations, preferences to connect with a brand and know their expectations across the life cycle of the relationship. And this is what makes this year's study useful. In previous editions, we explored how brands in India are using the media, their objectives, spends, ways to engage and have learned a lot from brand managers, bloggers, internet marketers and influencers. This year, we have reached out to consumers to come a full circle.

Cyber couponing and aggressive discounts have served as ubiquitous campaign and communication objectives for many brands. With the Government now defining the rules of e-commerce marketplace, it will further make it an uphill task to acquire customers, push app adoption and define success metrics. Meanwhile, Instagram, from Facebook's family of apps, has made its ad debut and is now in the monetization mode. On the other hand we are seeing emergence of new platforms such as Snapchat and Periscope, which are now being explored by brands.

This third edition of our social media marketing study explores what brands are doing across the customer lifecycle to attract, sell and retain customers. It also explores the objectives, spends and challenges of participating brands. Additionally, the consumer survey helps to understand why a consumer connects and engages as well as what he or she expects from a brand.

We have added our perspectives and a layer of secondary research, expert opinions and quotes from participants to provide a unique perspective to this study. We would like to thank all our participants, brand managers, influencers, end users and industry experts who have shared their points of view and responded to the survey.

I hope this study helps you get a good view of social media marketing in India today, provide an update on emerging trends and demystify this channel of engagement with your customers a little more.

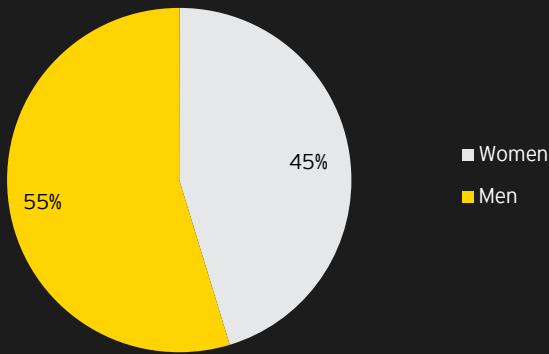
Dinesh Mishra
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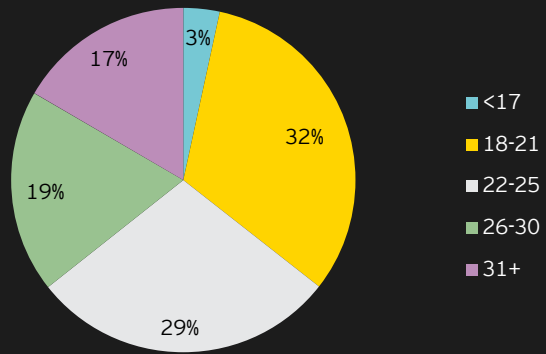
Consumer view: survey participants

Our respondents:

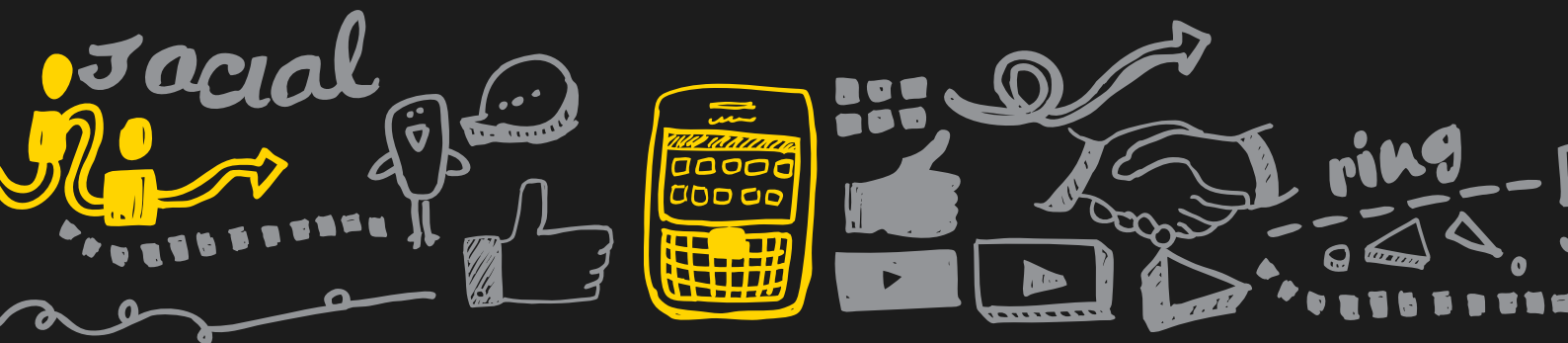
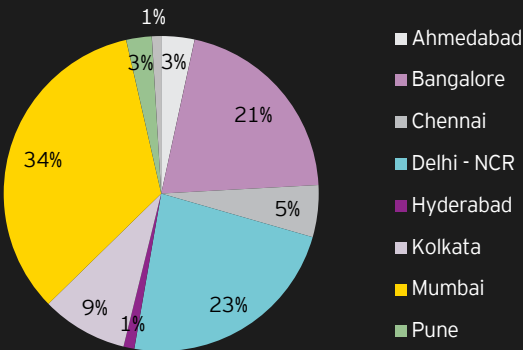
Gender



Age



Locations





Key insights

1. Despite the focus on channels such as social media and mobile, brands still feel their website is the most effective means to engage with customers.
2. Mobile is growing and it is an important channel for the brands as well as consumers. 72% Of brands who participated in our survey have a mobile app and a mobile-friendly website. As a marketer, no marketer should ignore the rising influence and adoption of mobile.
3. 80% Of brands advertise on web, social and mobile, indicating that more brands are spending on digital advertising than ever before as evidenced by the fact that digital ad spending is expected to grow faster than other marketing channels in india (47.5% increase YOY in 2016).¹¹
4. 60% Of brands use a 360° or an omni-channel approach to marketing, indicating that digital and social media marketing is being seen as more than a mere extension of traditional marketing, and that brands are taking a more holistic approach.
5. Budgets allocated to digital and social media marketing within the overall marketing budget seems to be increasing – 44% of brands spend more than 20% of their marketing budget on digital marketing while 24% of brands are spending more than 16% or more from their marketing budget on social media.
6. The top-three challenges faced for marketing any brand on social media, have not changed since the last edition:
 - a. Sustaining or increasing engagement rates
 - b. Content creation
 - c. Measuring effectiveness
7. While brands focus on launching channels and driving engagement initially, the top challenges seem to indicate that brands are not doing very well in having sustained quality engagement with their communities. This means that brands should focus on engagement initiatives that they can sustain for the long-term instead of focusing disproportionately on the launch phases.
8. Over half of the brands still do not have emergency response plans while 44% do not have a formal social media policy and governance structure where social media teams are completely aligned with organizational policies. With recent issues faced by some leading brands in india, it is surprising to see that brands still do not have formal guidelines for how their employees should engage on social media and how the brand will respond in case of an incident. This, in our view, is a significant brand risk exposure.



Key insights

9. Both brands and customers feel that regular engagement and customer servicing on social media are the best ways to promote engagement and conversion. However, customers seem to value referrals more than brands, who focus on exclusive promotions for fans. Consumers also seem to value word of mouth referrals from friends and peers while brands pay more attention to personalization.
10. Instagram has become popular and preferred by brands and consumers alike. 60% Of brands we surveyed have included it as one of their official social media channels. With Instagram now in monetizing mode and brands being able to advertise on this platform, this channel is set to see a significant uptake.
11. Periscope users view around 21 million minutes of livestream footage every 24 hours²⁵ while Snapchat users watch a collective 10 billion videos a day on the app²⁶. As a marketer, these will be the next two platforms to explore.
12. Brands are moving toward programmatic media buying. This offers marketing teams with multiple options for targeting in real time, at the right moment across screens and devices.
13. The focus is shifting from app downloads to engagement and fulfilments. Metrics that measure transactions, engagement on app, as well as positive reviews on app stores will be core measurement success metrics for apps instead of just the number of downloads.
14. The jury is still out on promoting individual apps v. Aggregated apps. Chat bots using regular chat interfaces might compliment or in some cases substitute company apps in the future.



Digital platforms

1. 100% brands surveyed have a Facebook presence, while 96% have a Twitter presence. The next most popular social media platforms are YouTube and LinkedIn (84% respectively).
2. 96% brands have their own website, while 72% of brands have a mobile website and a mobile app. 85% of brands that have apps also have a mobile-friendly website, which indicates that these brands are looking at mobile as a separate engagement channel.
3. Despite the focus on social media, surprisingly, brands still rated Websites as the most effective platform for customer engagement. Facebook, Mobile Sites, Twitter and Mobile Apps were ranked as the next-most effective platforms.

Customer acquisition through digital

1. 80% of brands advertise on web, social and mobile as well drive traffic across channels by cross-linking various platforms to attract users to their digital touch points.
2. 76% of brands create compelling content to drive users to digital and social media channels. Examples we received from brands include the use of storytelling, contests and “create strong content capsules where brand and brand purposes are effectively interspersed”.
3. 72% of brands publish content that includes industry trends and other points of interest to their users, as opposed to only product and service-related information related to products and services.

Integration across channels

1. 44% of brands surveyed in this edition run 360o integrated campaigns, while 16% of brands state that they adopt a complete omni-channel approach to their marketing initiatives. This tends to show that digital and social media marketing is being integrated with traditional marketing strategies to engage with customers through multiple touch points.

Budgets

1. 40% of brands spend under 10% of their marketing budgets on digital, while almost 30% of brands surveyed allocate more than 31% of their overall marketing budget on digital marketing.
2. The number of brands spending 16% or more of their marketing budgets on social media marketing (around 24%) has increased as compared to previous editions. For the first time, this edition has brands that spend more than 31% of their marketing budget on social media.

Key challenges

1. The top-three challenges faced for marketing a brand on social media were – Sustaining or increasing engagement rates, Content Creation and Measuring Effectiveness. The top-three challenges for marketing the brand in the last edition were the same, though percentages varied slightly.
2. The top challenges to attract users to digital touch points relate to effectively defining the target group/audience (28%) and the lack of dedicated budgets for these channels / advertising (28%).



Lead generation and sales

1. 64% of respondents state that they use Social PR and Influencer Management to generate leads and convert users to customers.
2. Social CRM is gaining momentum across verticals and brands – 60% of surveyed brands use social media as a customer-servicing channel currently.

App adoption

1. 28% of brands promote their app on various campaigns on their social media pages to drive adoption, while a small group of brands focus on social advertising with sponsored posts and pushing discount codes/deals in order to entice users to download their apps (8% each).
2. Surprisingly, almost half of the brands (48%) surveyed are not pushing a mobile-first agenda, or seem to focus on their mobile-friendly website instead of pushing users to adopt their apps.

E-Commerce and social media/social sharing

1. Almost half (48%) of the brands surveyed currently integrate their social media to their web or mobile commerce initiatives through cross-linkages between platforms. However, surprisingly, 40% of respondents still say that they do not link their website or app to their social media channels.
2. 60% of brands surveyed allow users to share content or product details onto their own social media feeds. Despite the statistics that show referrals from peers being considered trustworthy, 16% of brands still do not allow word-of-mouth (WOM) referrals through social sharing, which means they are not leveraging the benefits of using their user base for WOM marketing.





Customer feedback and insights

1. To gain customer feedback, 88% of respondents conduct social listening; however, only 56% brands use a listening tool (the most common being Radian6, followed by Meltwater and Sysomos).
2. While 60% of brands still rely on traditional channels such as call centers and email for Customer Servicing, 60% brands are also providing Customer Servicing on social media.

Measurement and metrics

1. Engagement (92%) and social reach (80%) are clear priorities for majority of the brands surveyed, and 68% of participants also track brand mentions.
2. As compared to the second edition of our report, visitor growth rates seem to be less important; however, on the whole, most metrics measured by companies seem to be more or less the same.

Customer retention

1. To build a community of loyal users and to help with repeat purchases, 76% of brands believe in regularly engaging with users on social media, while around 64% of brands feel that running exclusive campaigns for their fans and followers will achieve that.
2. Around 70% of brands surveyed stated they currently service or plan to use social CRM to engage with and service customers through the customer lifecycle.

Governance and response management strategies

1. 40% of brands mentioned they track end-to-end incidents on social media, and they respond in occurrence to clearly defined emergency plan.
2. 28% of brands state their social media policy and governance is aligned with other organizational polices that are implemented and followed.
3. However, a large majority of brand still do not have such an emergency plan in place - in some cases, no formal plan exists, while almost a quarter of brands still use traditional corporate communication methods to respond to emergencies.
4. 28% of brands state their social media policy and governance is aligned with other organizational polices that are implemented and followed. However, 44% of brands still do not have a formal social media policy in place.

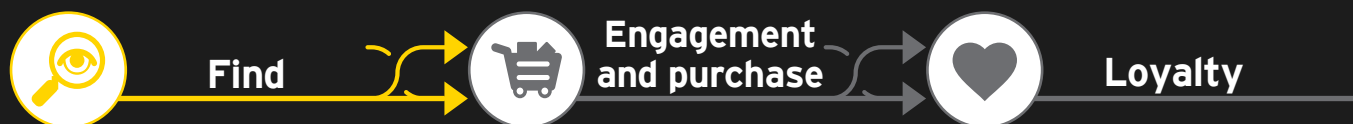
Customer insight and research has led us to improved engagement and conversions; 360 integrated campaigns are yielding better returns; deploying better creative campaigns has shown far improved engagement Learnings for 2016 Conversation shrinks or expands in proportion to incisive content and spends. We would like to spark more conversations around audience issues; Continue engaging in platforms that offer new things – Facebook, Twitter, Instagram as well as try new things – content marketing, testimonial videos, vines...*

BharatMatrimony

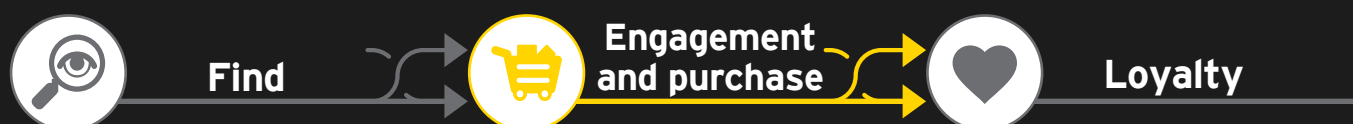


Key findings

Consumer view



1. Facebook is the undisputed champion for consumers as well as marketers. 83% consumers say they are active on Facebook as opposed to any other.
2. LinkedIn and Instagram both are at 24%, but the differentiating factor between the two is that younger consumers are more attracted to Instagram, while as the age range increases, they prefer LinkedIn.
3. Moreover, the gender-wise break up shows Instagram and Pinterest has marginally higher adoption among females than males
4. Surprisingly, only 18% of consumers are active on Twitter.
5. Pinterest and Vine both have minimal usage among Indian consumers, at 4% and 1%, respectively.
6. Generally, all age groups spend 1-2 hours on social media per day. However, the amount of time spent on social media seems to decrease as the age of the respondent groups increases.
7. A whopping 88% prefer apps to access social media from their mobile phone and that percentage tends to gradually increase for those with phones priced higher than 15k as well as for consumers aged 25 and below.
8. As the age of the customer increases, they become more interested in information about products and services and less interested in participating in games and contests.



1. Promotions and offers seem to be a favorite across all age groups.
2. Getting in touch with customer service on social media also seems to be a consistent choice across all age groups.
3. Consumers aged more than 31 years are inclined toward earning Loyalty points. Lastly, as age increases, earning loyalty points tends to gain some importance.
4. Both men and women prefer apps over mobile browser and desktop computer. This is also applicable across gender, age and regardless of what the price of device is.





1. Almost 50% of the respondents consider surveys as the best mode to provide feedback to a brand.
2. 50% of consumers said regular updates on a brand's social media channel will increase their loyalty and encourage them to make repeat purchases.
3. Consumers across most age ranges are not comfortable with sharing their personal information with brands on social media; however, the age group between 26 and 30 is marginally less hesitant to do so.





Business view

Since the first edition of our report, India has made significant inroads into internet connectivity. In 2015, there was an 85% growth in consumption of 3G data, moving India closer to the global average consumption per person.¹ TRAI estimated the 4G subscriber base to be around 1 million users in June 2015.² Rural India has seen an uptake in social media usage – ~25 million in April 2015 (up from ~12 million, registering a 100% YOY growth³). Meanwhile, the Indian Government’s Digital India program has pledged to develop the optical network and mobile connectivity across the country including covering cities with population of over 1 million and tourist destinations with public access Wi-Fi services.⁴

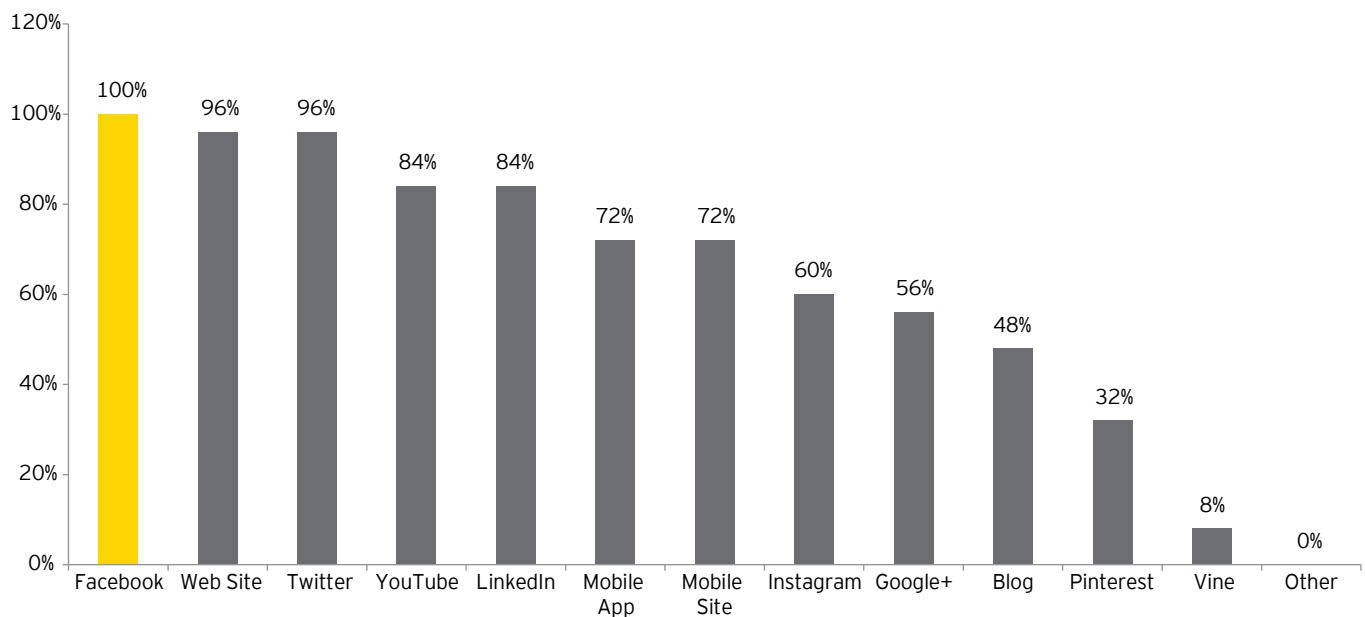
These investments into India’s connectivity have seen India’s internet user base grow to 324.95 million⁵ in September 2015, a 27.73% YOY growth. The mobile internet subscriber base is now 93.82% of internet users⁵, and we are seeing a growth in the social media usage numbers. Correspondingly, we are seeing brands understand the importance of having a digital and social media presence in order to attract customers.

Section 1 Attract



Existing platforms

What platforms form a part of your current digital presence? Please select all that apply





Traditionally brands have invested significantly in Facebook to build communities and hence, it still remains the undisputed channel for brands to be present on hands down. All of the brands surveyed have a Facebook presence, while 96% of those surveyed have websites, as well as a Twitter presence. It is not surprising to see brands favoring these channels, as in June 2015, Facebook had 125 million average users (MAU), out of which mobile MAUs were around 114 million.⁶ Twitter has 22.2 million users in India, and despite accounting for only 17% of its social network users, the company is increasing its India focus in order to capitalize on the huge growth potential in terms of number of users.⁷

YouTube and LinkedIn came in next; with 84% brands surveyed confirming their presence on the same.

Mobile apps and mobile-friendly websites also seem to be an emerging trend, since 72% of brands who participated in our survey have a mobile app and a mobile-friendly website. We will continue to keep track of these numbers in subsequent editions, and see how that will change with the high penetration of mobile internet subscriptions and the introduction of 4G services.

Platforms such as Instagram and Google+ (60% and 56% of surveyed brands, respectively) are finding a place in the Indian social media landscape. Lifestyle, food, fashion, personalities and luxury brands have always been associated with Instagram. However, we may see more brands embrace this platform, since Instagram recently opened its doors for businesses to advertise on it. We found that 60% of brands surveyed chose to be present on Instagram.

Similarly, blogs are seen as important for almost half the brands surveyed as well. Companies with active blogs generate 55% more site visits, 97% more links to their websites, and their pages get indexed 434% more often⁸, and according to the HubSpot State of Inbound 2014 Report, marketers who have prioritized blogging are 13x more likely to enjoy positive ROI.⁹ These numbers indicate that blogs will continue to be a great tool for brands to promote their brands, improve visibility on search engines as well as generate leads.

Pinterest is seeing an emergence with 32% of surveyed brands. Meanwhile, platforms such as Vine are seeing some interest with 8% of brands surveyed being present on it, while platforms such as Foursquare, which saw a presence in the last two editions (~27% in the first edition, which reduced to 5% in the second edition) are not mentioned at all. This is not unusual, since globally, Foursquare, has seen a decline.

Looking forward

Video is taking over as one of the most important content formats. According to Bitly, 92% of mobile consumers said they share online video content with others through social media, text, email or other channels.¹² Brands need to use this as an opportunity to promote engaging content as well as build up to live broadcasts using new video apps and channels.

Snapchat has been a recent entrant and not many Indian brands are present on it as yet. Snapchat won't be far behind, as we'll start to see more and more advertisers joining the game there.

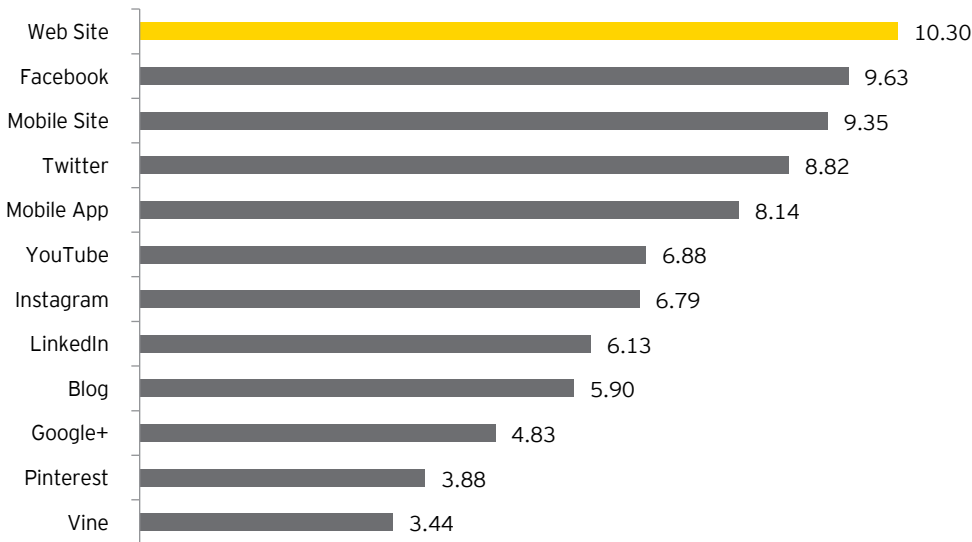
Meanwhile, key Indian influencers in various fields are starting to use Periscope, using live video broadcasts to engage with the fans and community – for example, Shah Rukh Khan used Periscope to greet fans on his birthday, Arvind Kejriwal broadcasted live speeches, and the Indian cricket team used Periscope to showcase their training ahead of their WT20 match against Pakistan.¹⁰

We will continue to track these platforms and see if they become more mainstream and a part of the preferred channels in digital marketing strategies.



Please rank which you think are the most effective platforms to engage with your customers?

Score

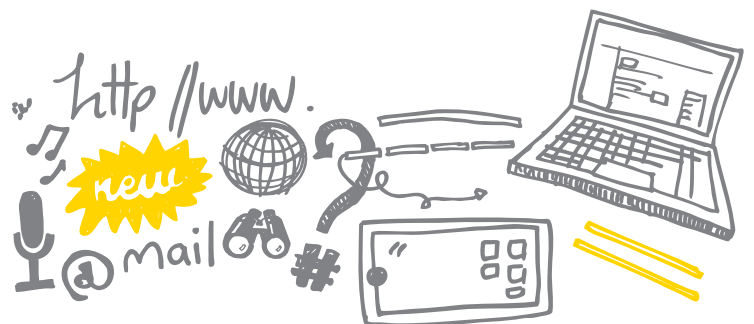


Brands were asked to rank their most-effective platforms with which to engage with customers. Based on the number of responses, these ranks were weighted and a final score was arrived at. High scores indicate more brands found that particular channel to be more effective for customer engagement.

Apart from Facebook and Twitter, the most widely established social networks in India, the brands surveyed seem to feel that owned media channels, such as Website, Mobile Site and Mobile App are more effective than other social media channels. The highest ranked platforms to effectively engage with users appear to be Websites (10.30), Facebook (9.60) and Mobile Sites (9.35), with Twitter (8.82) and Mobile Apps (6.88) following closely in the scoring provided by our respondents.

The remaining platforms are rated lower, but visual platforms such as YouTube and Instagram are rated the highest among those.

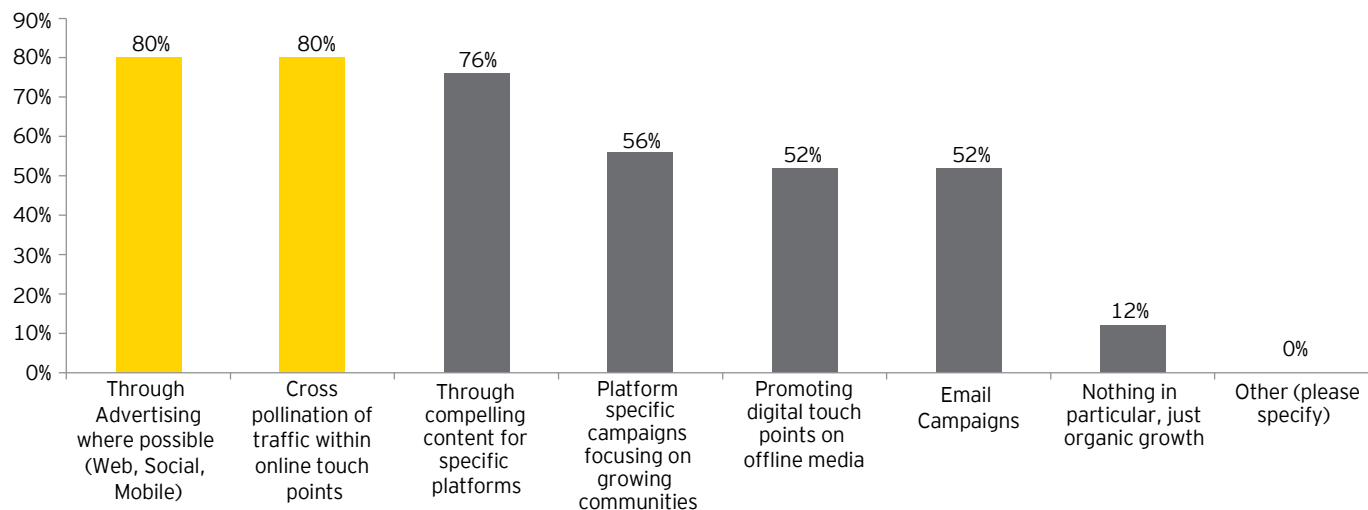
With platforms such as Pinterest and Vine still emerging in India, it is not surprising to see brands rank them lower at this point in time. As they become more popular, these platforms may be considered more effective in being able to engage with customers.





How can social media be leveraged to attract new customers?

How do you attract potential customers to your digital touch points? Please select all that apply.



While brands invest in their digital and social media presence, an important factor is to get users and customers interacting with them on these platforms to be effective.

With ad spending in India expected to grow by 15.5% in 2016 to INR57,486 crore (INR574.86 billion) and digital advertising accounting for 12.7% of all ad spending in 2016¹¹, it is not surprising to see 80% of brands surveyed mentioned that they advertise on web, social and mobile to attract users to their digital platforms. A similar number of surveyed brands (80%) drive traffic across channels by cross-linking various platforms, which would allow users to engage with them on multiple channels. This too, is keeping in line with trends, since 2016 is expected be the year of the more comprehensive social media strategy, with brands seeing the need to seamlessly engage with prospects and customers on channels they prefer, as well as track usage across platforms – beyond just Facebook and Twitter.¹²

We have a huge number of visits to our LinkedIn and twitter page from potential employees.

Start looking at VR and AR

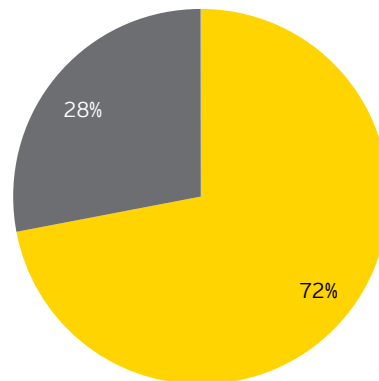
Egis in India



To address this, however, content needs to be compelling and developed for different media, so that while there is consistency, platform-specific content will be necessary to drive users to multiple channels - 76% of surveyed brands mention that they do this today.

To support this, around three-fourths of the brands surveyed specify that they use topical content related to their brand and industry apart from products and services as opposed to 28% of brands saying they develop only content. In fact, 68% of brands surveyed stated they attracted users by compelling content for specific platforms. In addition, they indicated that they published content related to trends and other content apart from product and service information.

What kind of content do you publish on your social media channels?

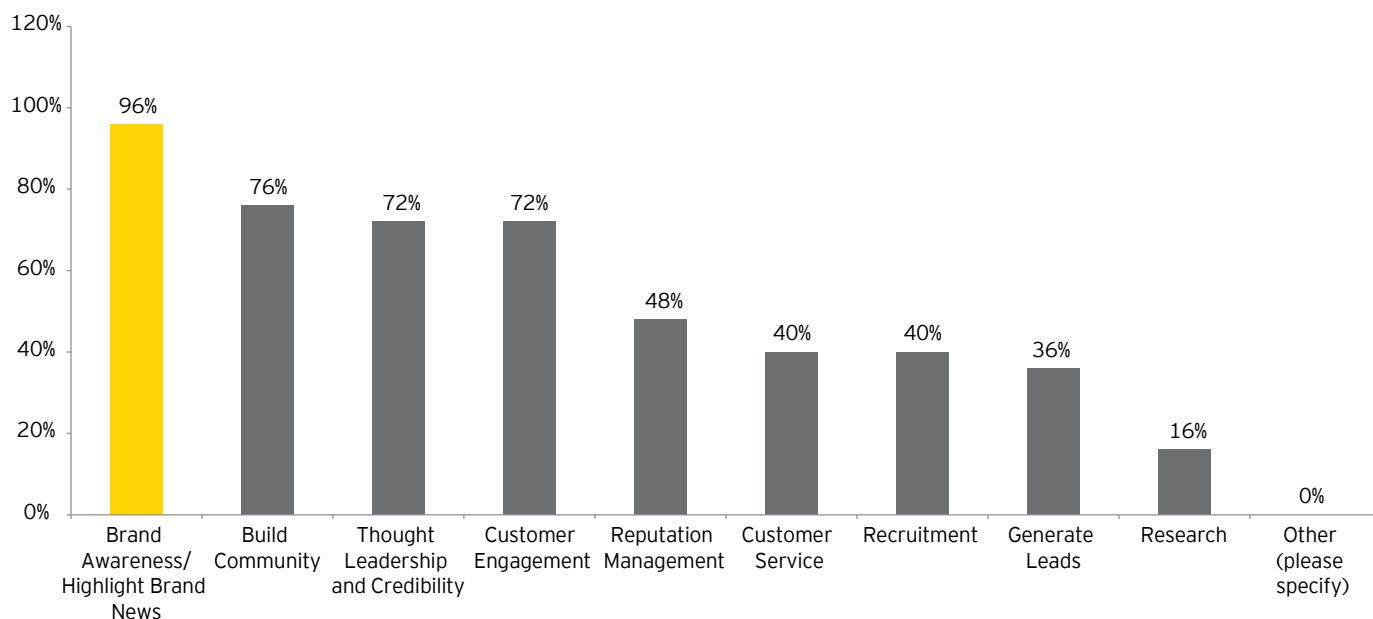


- We engage our users with topical content related to overall trends and other content apart from Products, Services and related offers
- Our Social Media feeds have content only related to our Products, Services and related offers

Meanwhile, almost half of the companies surveyed also rely on platform-specific campaigns (56%), promoting digital touch points on offline media (52%) and using email campaigns (52%) in order to attract users to their digital touch points. Only around one-tenth of the companies surveyed rely on organic growth without any additional activities (12%).

Objectives

What are your primary objective(s) for being present on Social Media? Please select all that apply.

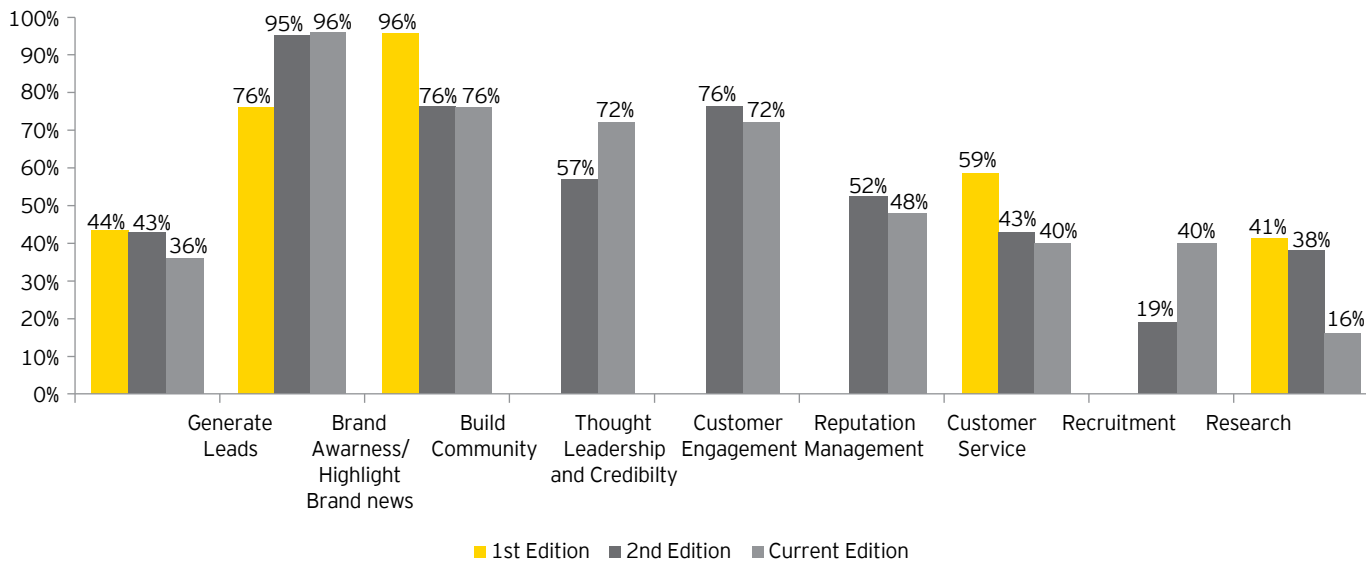




The top-two objectives to be present on social media for the brands we surveyed were Building Brand Awareness/Highlight Brand News (96%), Building a Community (76%).

Thought Leadership/Building Credibility and Customer Engagement came in third (72% of brands listing these as a key objective for their social media presence).

What are your primary objective(s) for being on social media?



There seems to be a paradigm shift from building communities to building trust and credibility. The focus on lead generation, building communities and using social media as a research platform has reduced across the editions. This could be due to the fact that brands have invested in these activities over the last few years, so that they can now focus on ensuring that they can build brand awareness, engage with their audiences effectively, as well as service customers via social media.

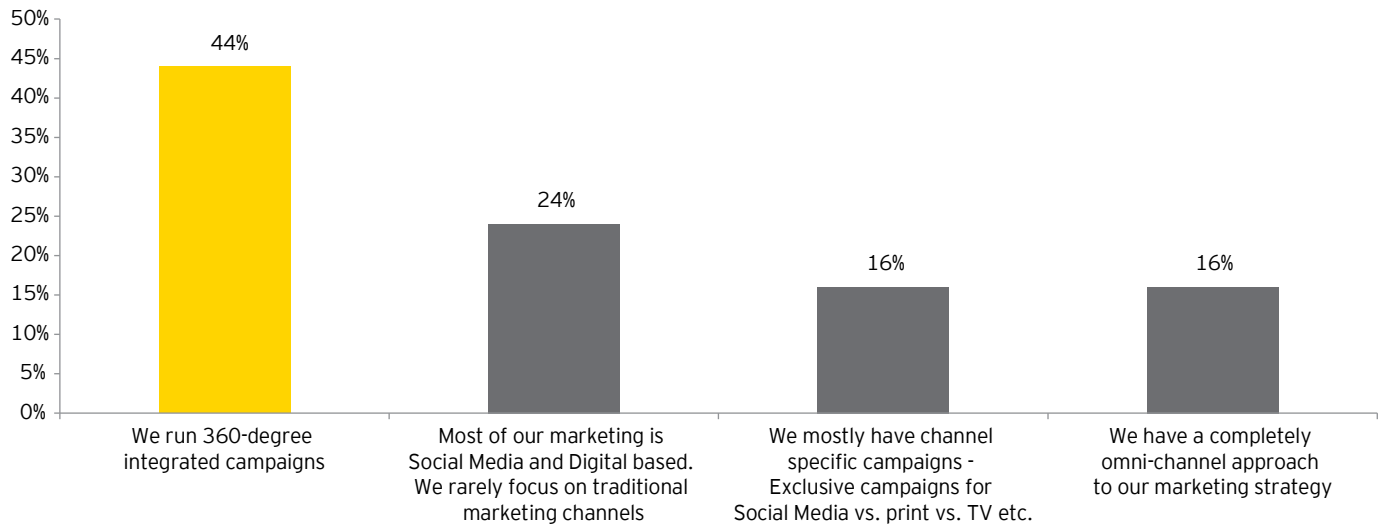
With established brands such as Nestle seeing consumers lose faith in them, it is not surprising that Building credibility is seen as a primary objective for 72% of brands in this edition. Meanwhile, using social media as a recruitment tool is seeing significant increases, especially compared to responses we saw in our second edition of this survey.





Integration across channels

How do you integrate your Digital and Social Media marketing with other Marketing Strategies?



The majority of brand surveyed run 360° integrated campaigns (44%). A smaller set of companies (24%) only focus on digital and social media marketing without any marketing initiatives on traditional marketing channels such as TV, print and offline. Omni-channel is not omni-present as yet, with only 16% of brands adopting a complete omni-channel approach to their marketing initiatives.

Meanwhile, 16% of brands still have channel-specific content that is not integrated.

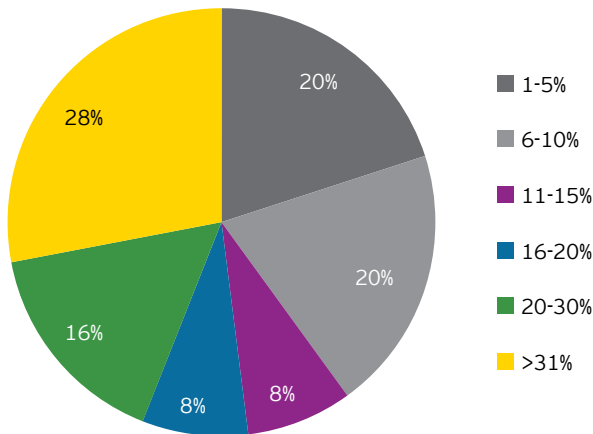
A 360° approach is likely to help manage consistency of communication, engage with customers across channels, gain improved customer insights, and streamline lead generation to help the sales teams, for maximum impact and conversions. In the second edition of our report, more than half (52.63%) of surveyed brands preferred and created

a 360° integrated campaign rather than extend their mainline campaign on social media as an afterthought. In this edition, the number of brands that have adopted a 360° or omni-channel approach (60%) show this to be a great indicator that digital and social media marketing is being seen as more than a mere extension of traditional marketing, and that brands are taking a more holistic approach.¹⁵



Budgets

Approx. what percentage of marketing budget do you spend exclusively on digital marketing?



Brands now allocate a specific part of their marketing budget toward digital marketing. For the purposes of this survey, digital marketing includes – app/web development and management, display ads, SEM, digital PR, email marketing, mobile ads, kiosks, POS installations, innovations and other mobile marketing initiatives.

Almost 30% of brands surveyed spend more than 31% of the overall marketing budget on digital.

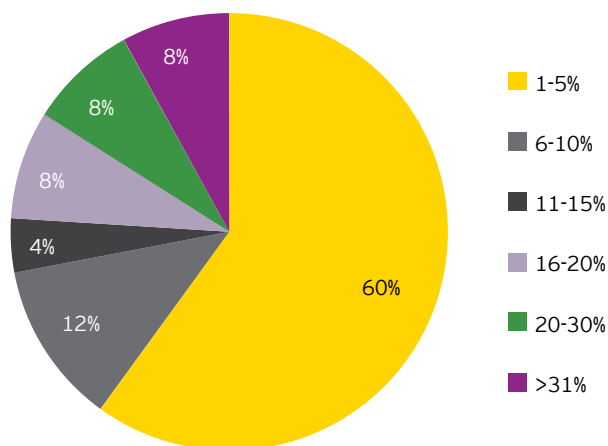
20% of brands surveyed spend up to 5% of marketing budgets on digital marketing, while another 20% spend 6%-10%.

16% of respondents said they spend 20%-30% on their digital marketing; the remaining 16% of respondents are split between 11%-15% and 16%-20% of their budget on digital marketing.

With around 50% of the brands surveyed spending more than 16% of their budgets on digital marketing, we are seeing spends aligned to global trends, as supported by Gartner’s CMO Spend Survey 2015-2016 report as they see digital marketing has moved into the mainstream, and expect digital marketing budgets to increase further.¹³

We also noticed that all the respondents, who are spending more than 31% of their marketing budget for digital marketing, have their own mobile-friendly website and/or app. They also stated that their primary objective for being present online is “Customer Engagement”. These brands seem to find the need to invest in various channels in order to increase their reach to drive customer engagement.

Approx. what percentage of marketing budget do you spend exclusively on social media marketing?

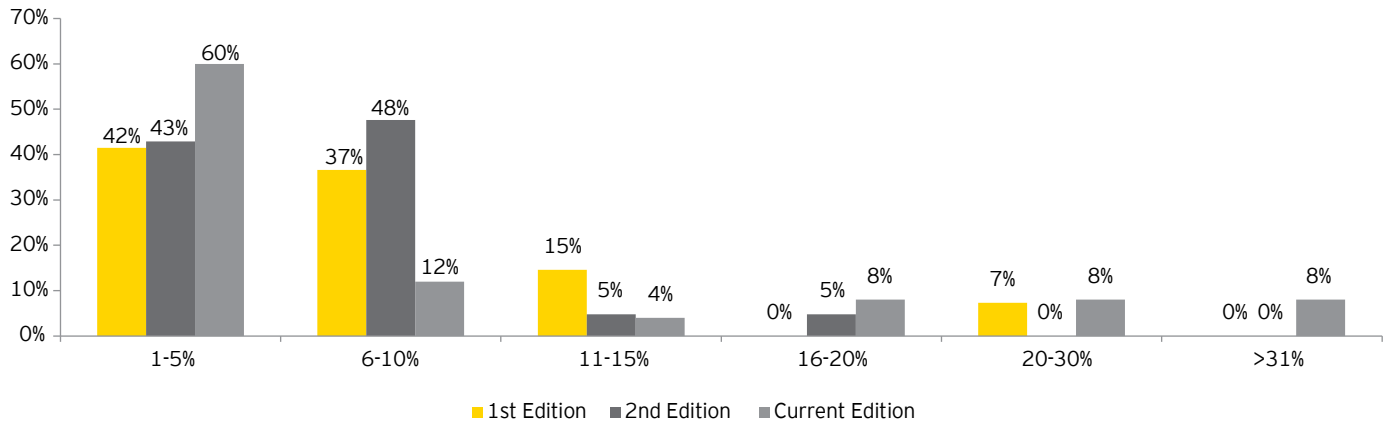


Meanwhile we asked brands to give us an indication of how much of their marketing budget they allocate toward social media marketing.

For the purposes of this report, social media Marketing includes social media campaigns, social advertising, content and creative production for social media properties, management of official brand accounts/handles on daily basis.



Approx. what percentage of your overall budget do you spend on social media?



Companies also seem to be optimizing their social media spends. A majority of the brands surveyed in this edition (60%) are spending 1%-5% of their overall marketing budgets on social media marketing – an increase from the numbers we saw in the last two editions.

The number of brands spending 6%-10% or 11%-15% on social media marketing has declined, based on our previous editions. However, we are also seeing increases in the number of brands spending 16% or more of their marketing budgets on social media. Brands surveyed are equally divided among the following budget ranges – 16%-20%, 20%-30%, and more than 31%. However, this is the first time we have seen brands stating that they are willing to allocate more than 31% of their budgets to social media.

This corroborates Gartner's 2015 Multichannel Marketing Survey findings – the highest investment in social media is during the awareness and buy phases, putting increased pressure on social marketers to demonstrate results tied to success at those points of the customer journey.¹⁴

We are shifting to programmatic buys and that's a trend that will catch on next year

Volvo Auto India

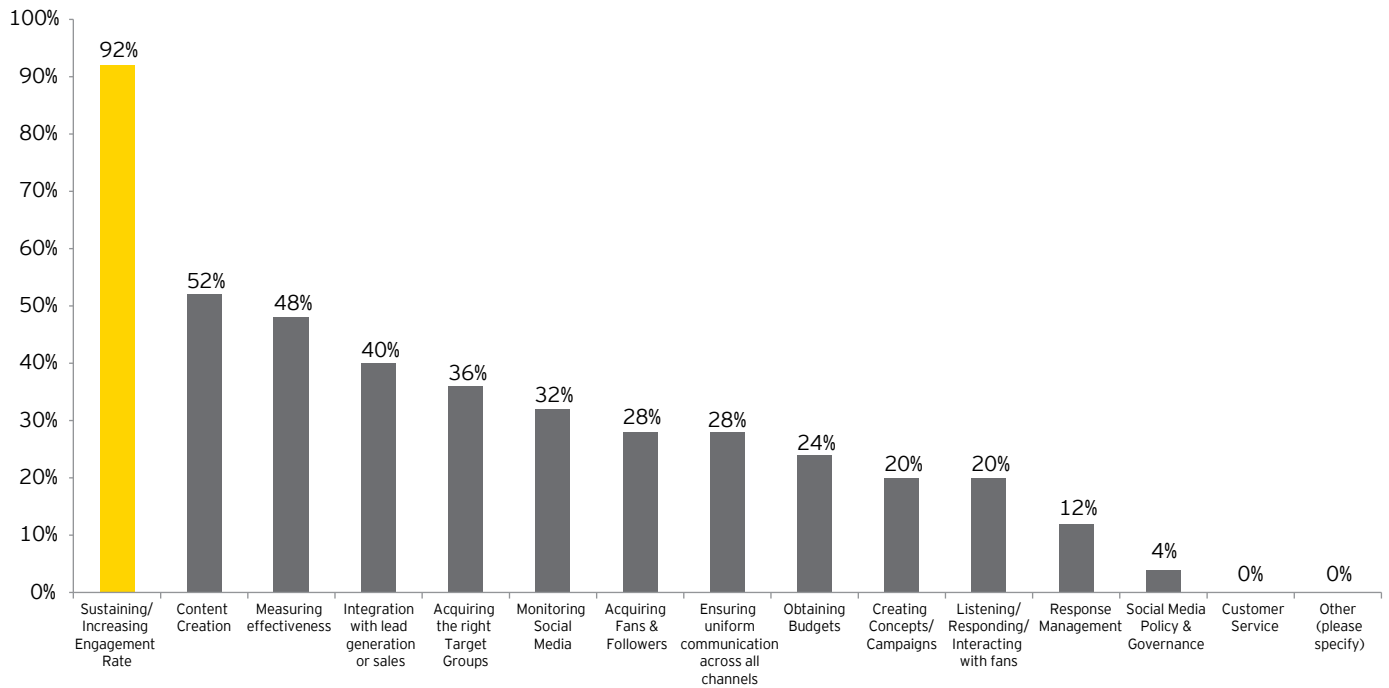
Moving toward programmatic media buying.

Pernod Ricard



Key challenges

What were the challenges that you faced last year in marketing your brand on Social Media? Please select all that apply



The top-three challenges faced for marketing the brand were:

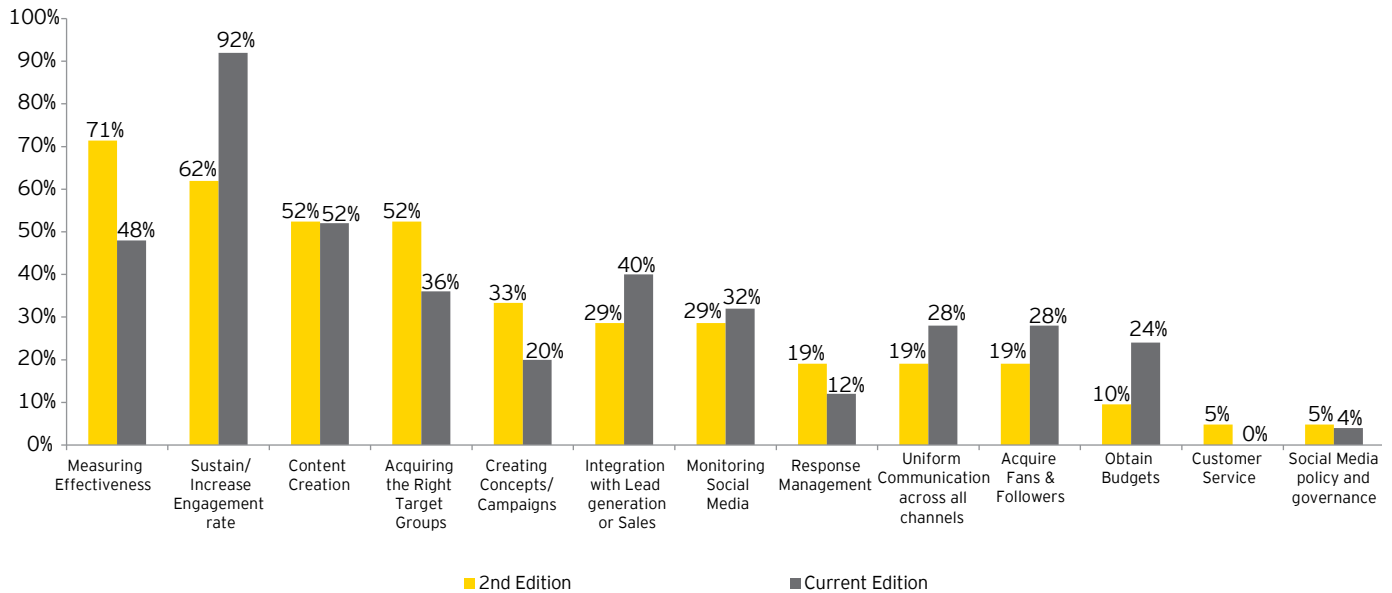
1. Sustaining or increasing engagement rates
2. Content creation
3. Measuring effectiveness

The top-three challenges remained same as in the last edition of the survey, though percentages varied slightly.





What are the challenges you faced last year in marketing your brand on Social Media?



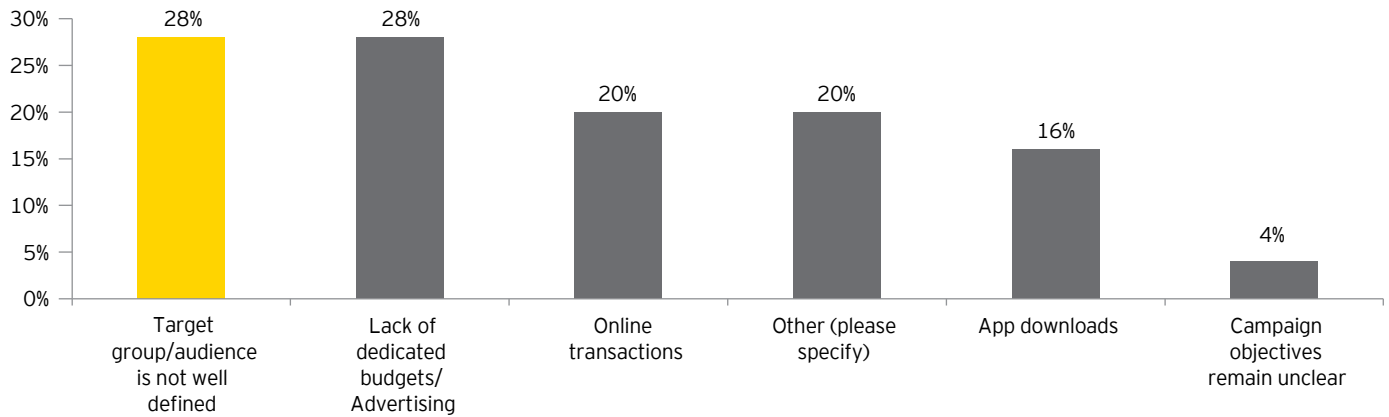
The main challenges across the last edition and this edition are – sustaining or increasing engagement rates (62% in the second edition v. 92% in the current edition), Content Creation (52% in both editions) and Measuring Effectiveness (71% in the second edition v. 48% this edition). The other main concern in the second edition was how to acquire the right target groups; however, it seems to be less of a challenge faced by companies surveyed in this edition (52% in the second edition v. 36% in this edition). Meanwhile, as brands develop e-commerce/social commerce and CRM capabilities,

the integration of social media with lead generation or sales seems to be a developing concern in this edition (29% in the second edition v. 40% in the current edition).

Creating concepts/campaigns, Response Management, Customer Servicing and Social Media Governance seem to be less of a challenge in this edition as compared to the second, with brands working to address key aspects that help with engagement and retention rather than just acquiring customers and building communities.



What is the biggest challenge you face in attracting and bringing users to your digital touch points. Please select all that apply.



Developing a presence on digital and social media channels is important. However, once a presence has been established, ensuring that brands attract users to these channels or engage with them meaningfully is equally important.

Some of the top challenges to attract users to these digital touch points relate to effectively defining the target group/audience (28%) and the lack of dedicated budgets for these channels or advertising for them (28%). However, as seen earlier, 80% of brands do advertise on the web, social and mobile, indicating that budgets for other initiatives other than advertising may be an issue. The rest of the key challenges relate to conducting online transactions (20%), as well as ensuring app downloads (16%). A small set of surveyed brands mention that they find defining a clear objective for campaigns a challenge (4%).

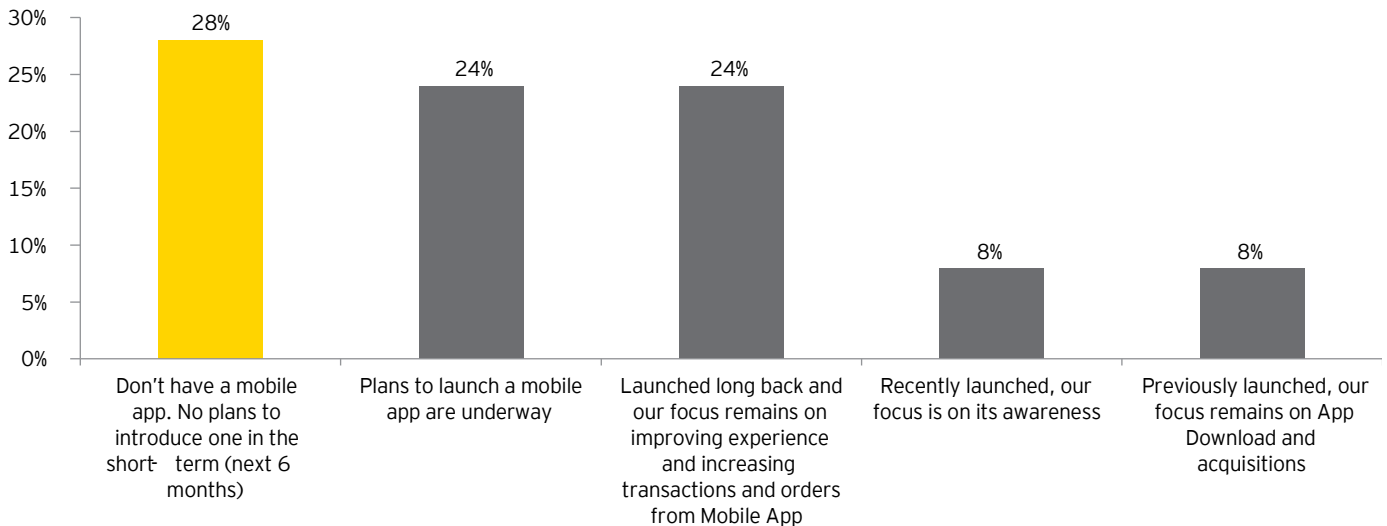
Some of the top challenges listed by a few of our participants for the “Others” option relates to:

- Customer retention
- Integrated messaging, with multiple channels and multiple messages
- Seeing benefits of paid channels v. earned content
- Regulatory compliances for certain industries with respect to marketing
- Changing social media algorithms
- Discovery among online content clutter
- Poor internet infrastructure



Mobile apps

At which stage of your brand's mobile app journey are you in?



Almost half of the brands surveyed do not have a mobile app currently – out of these, 28% of them have no plans to introduce one in the next 6 months, while around 24% have plans to launch an app shortly.

Almost 40% have already launched their apps, but they have different goals for them based on their life stage – a quarter of brands surveyed have had an app in place for a while, and they stated that they are focused on improving experiences and increasing transactions for the audiences that access their app. However, we have not yet seen brands explicitly state that they design their apps keeping in mind the optimal end-to-end customer experience.

The rest of the brands surveyed are divided into two groups – they are either still building awareness amongst their user base about the app (8%), or they are focused on increasing downloads and customer acquisition (8%).

As wearables and nearables become more popular, the use of complementary apps to control these devices and interpret data will likely increase. We will keep an eye out on how brands evolve their app strategy to address this.

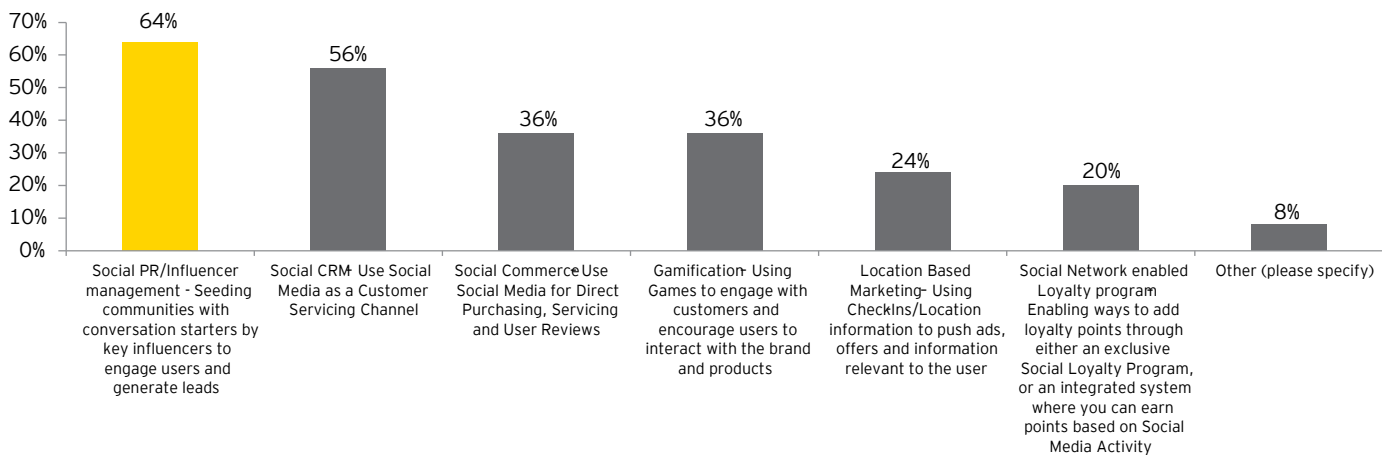


Section 2 Sell



Lead Generation and Sales

How do you leverage Social Media to generate leads or sell? Please select all that apply.



While pushing brand news and using social media as a PR channel is seen to be important, with 64% of respondents stating that they use social PR and influencer management to generate leads and convert users to customers, social CRM is also gaining momentum across verticals and brands – 56% of surveyed brands use social media as a customer servicing channel. This is a promising trend to strengthen the use of social media for leads and sales. According to the findings of the IBM Institute for Business Value, traditional CRM strategy, which focused on management solutions for channels such as corporate websites, call centers, and brick and mortar locations needs to evolve, and must take into account the dynamics of the community-based environment that defines social media – an environment in which control of the relationship has shifted to the customer, who has the power to influence others in his or her social network.¹⁵ It is also important to note that one

of the benefits of customer servicing using social media also includes support from peer groups, a valuable and trusted set of users. In fact, according to a Gartner report, investing in such peer-to-peer communities will not only bring support costs down and boost profits, they will also deliver consistent customer experience.²⁴

Meanwhile, new avenues such as social commerce, where users can purchase and review products/ services directly from social media (36%), and gamification (36%) are being seen as means to generate leads or sell to users. Ratings, reviews and recommendations from public wish lists are some aspects of social commerce that have been commonly used for years; however, for direct purchasing through social networks to become mainstream, social networks will need to evolve to take into account the Indian propensity for payment models such as COD and ensuring they comply with RBI regulations for online payments.¹⁶



Meanwhile, location-based marketing (24%) and social network-enabled loyalty programs are less popular with brands surveyed.

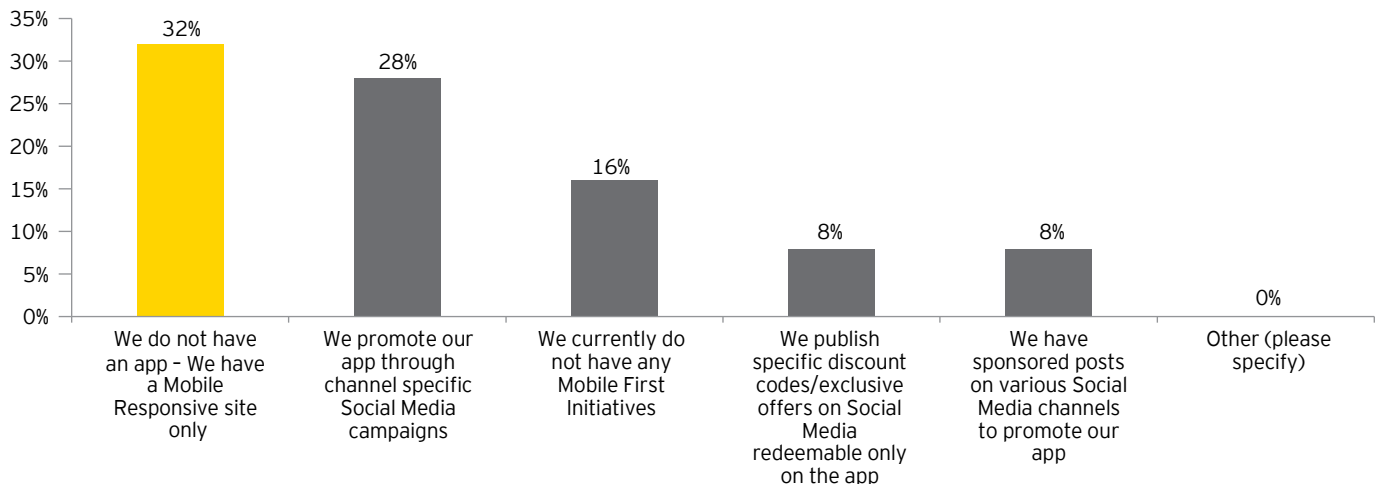
Some key areas listed by a few of our participants for the “Others” option relate to the use of:

- Digital marketing to generate leads
- Leads pertaining to recruitment

Across the board, brands are using social media more widely – the use of social PR, to seed communities with conversation starters by

influencers, and social CRM have seen a significant increase when comparing responses from the 2nd edition and this edition. The use of social commerce and gamification are also seeing a jump. Location-based marketing and social network-enabled loyalty programs also see a marginal increase. This means brands are leveraging social means in more ways than before, and are building capabilities, evolving their campaigns and initiatives to engage with users.

How do you push App adoption using Social Media?



Indian mobile users cumulatively downloaded 9 billion apps in 2015, which is more than 5 times the 1.56 billion apps they downloaded in 2014.¹⁷

Top e-commerce brands are focusing on apps as an additional channel for sales.

To drive app adoption, 28% of brands surveyed specified that they promote their app on through campaigns on their social media pages. 8% rely

on social advertising with sponsored posts to entice users to download their apps.

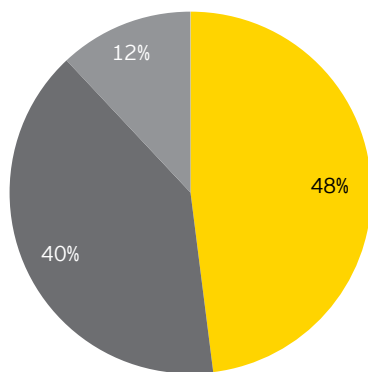
Another 8% push discount codes or deals on their social media, which can only be redeemed through the app; this is a scenario we will be keeping track of. While the couponing business achieved 13.5% of the total e-commerce audience of India,¹⁹ leading e-commerce companies are also likely to see a reduction in the deep discounting model to drive growth due to new regulations.¹⁵



Surprisingly, almost half of the brands surveyed are not pushing a mobile-first agenda (16%), or seem to focus on their mobile-friendly website instead of pushing users to adopt their apps (32%). The focus on the mobile-friendly websites is important from an SEO perspective, with Google starting to include mobile-friendliness as a ranking signal on mobile searches last year. It also rolled out an algorithm

E-commerce and social media

Do you have any Social Commerce initiatives that are integrated with your website/app?



- Yes, we integrate our Social Media channels with our web/mobile commerce initiatives (direct links, referrals)
- No, our social media channels are not linked to our website or app
- Yes, We allow users to purchase products and services from directly on our Social Media channels

update in May 2016 that places an importance on mobile-friendly websites.¹⁸

This seems to indicate that brands are leaving it up to their customers on how they wish to engage, across channels and devices. This seems to be bolstered by recent announcements where brands like Myntra and Flipkart have re-launched their mobile websites, and Myntra is rethinking its mobile-only approach to re-launch its desktop site. It seems clear that brands are looking at a “mobile-plus” rather than a “mobile-first” or “mobile-only” strategy.

Almost half (48%) of the brands surveyed currently integrate their social media to their web or mobile commerce initiatives through cross-linkages between platforms, publishing links that direct users to their commerce platforms, or by getting referrals from fans and followers. A small percentage (12%) actually have some social commerce initiatives, where users can purchase products.

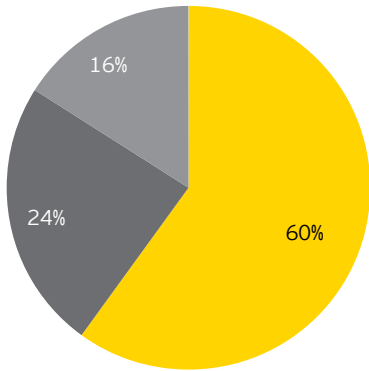
However, it seems like there does seem to be a gap, with 40% of respondents saying that they do not link their website or app to their social media channels. According to Gartner’s 2015 Multichannel Marketing Survey, social media was cited by marketers as one of the most effective channels across all phases of the customer buying journey, putting social marketers firmly at the core of multichannel efforts.¹⁴ This means brands that have an integrated approach to their sales channels and their digital/social media presence do seem to have an advantage.

As we have recently launched our presence in the social media space, aim is to expand the presence across all relevant online touch points and maintain an interactive thread with customers and serve them faster, better and with quick responses to their queries. Future will witness, a more interactive and revamped website for our customers, a mobile app and lot more to come in the digital and social space.

Blue Dart



Does your e-commerce strategy allow users to encourage Word-of-Mouth sharing/Social Sharing?



- Yes, We allow users to share products/content on their Social Media feeds
- Yes, We allow users to share products/content directly with their friends
- No

Word-of-mouth (WOM) referrals are a key component for brands to build trust and credibility among users, as well as can often be a key component in converting browsers to customs. According to Forrester’s report, How to Build Your Brand with Branded Content, a survey of online consumers indicated that 70% find recommendations from friends and family to be the most trustworthy.²⁰

60% of brands surveyed allow users to share content or product details onto their own social media feeds. A small percentage of brands (24%) allow users to share product details or content with their friends as a recommendation or suggestion.

However, 16% of brands that do not encourage WOM sharing/social sharing, which means they are not leveraging the benefits of using their user base for WOM marketing.

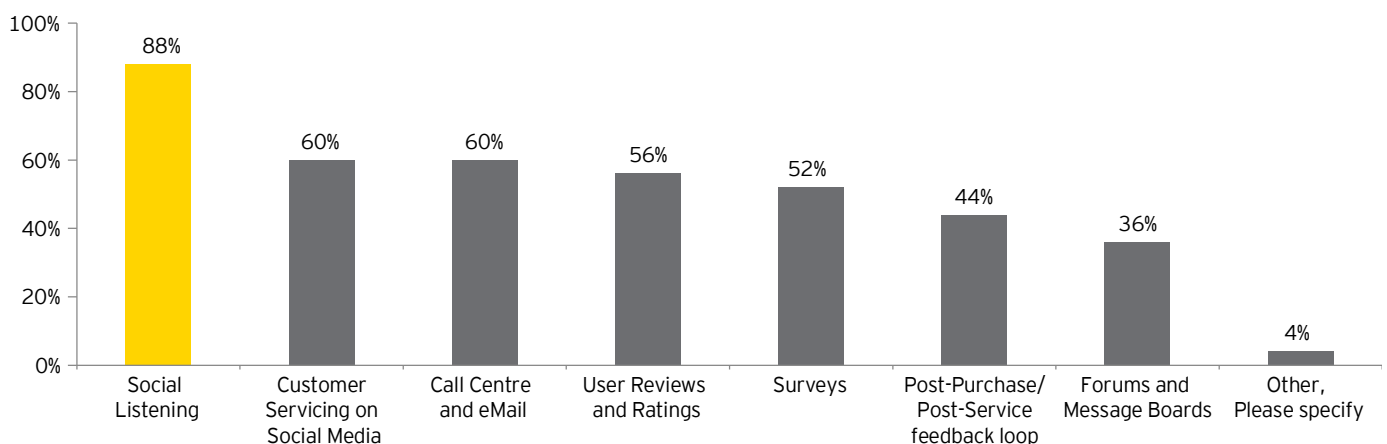




Section 3 Retain



How do you gather customer feedback? Please select all that apply.



As observed in the previous section, brands are investing in listening to and serving customers online. We have found out that 88% of respondents employ some sort of social listening initiatives to garner customer feedback. While 60% of respondents still rely on call centers and email for customer servicing, 60% of surveyed brands also provide some customer servicing on social media.

Getting ratings and reviews from users, as well as pushing out user surveys are employed by more than half of the companies surveyed (56% and 52% respectively) as means to gain direct feedback from users. A little less than half (44%) also employ a post-purchase/post-service feedback loop, to see how users feel about the brand toward the end of the customer lifecycle.

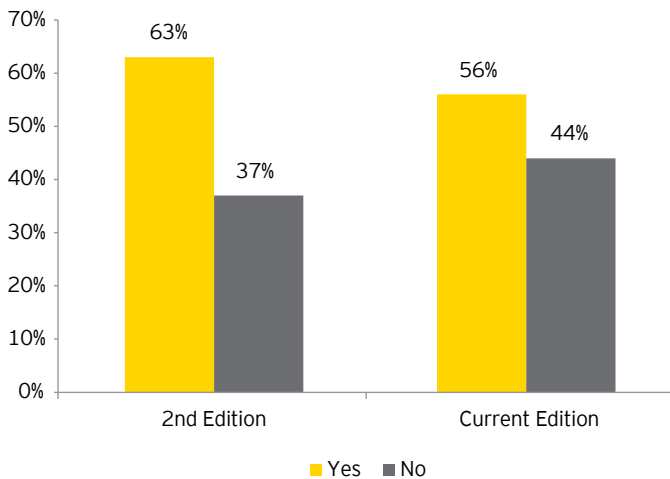
Forums and message boards are still used by 36% of brands surveyed. This could be due to the fact that some brands may have legacy content on forums that are already entrenched in the minds of users as well as SEO rankings, or cater to small niche communities.

Some brands stated that management teams interact with customers regularly in order get customer feedback and develop customer insights.



Brand monitoring

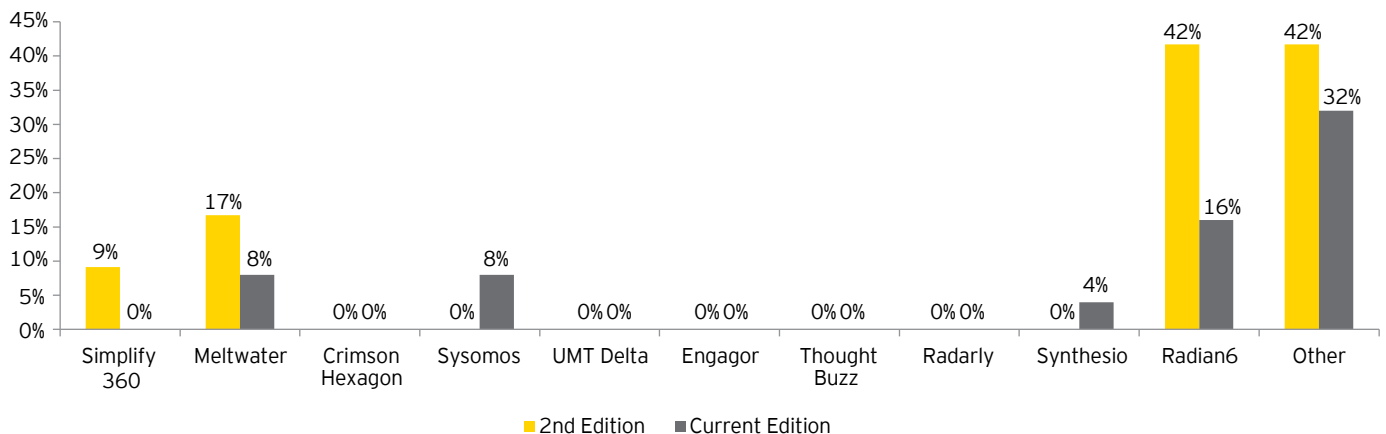
Do you Monitor your Brand Sentiment through any Listening tool?



Brands need to constantly scan the social media universe and “fine-tune” their listening so that they continuously learn, adapt and develop as the social media eco-system evolves with new channels and mediums across geographies as well as changing importance and relevance of channels. They need to listen constantly in order to get relevant, timely and contextual insights that improve understanding and enable better decision making. Effective social listening should be able to interpret the data gathered based on data processing and analytics, but often is likely to need some amount of human intelligence for correct interpretations.

Despite 88% of brands stating they use social listening to gather user feedback, the usage of a listening tool, has declined since the last edition from 63% to 56%. This could suggest that brands are using means such as manual scanning, using free listening tools or are outsourcing their social listening initiatives to agencies or other vendors.

What are the listening tools used to monitor brand sentiment/customer feedback?



However, for those brands that stated they do use a licensed listening tool, the most popular tool seems to be Radian6 (42%). The remaining use Meltwater or Sysomos (8%), while a small percentage utilize Synthesio (4%).

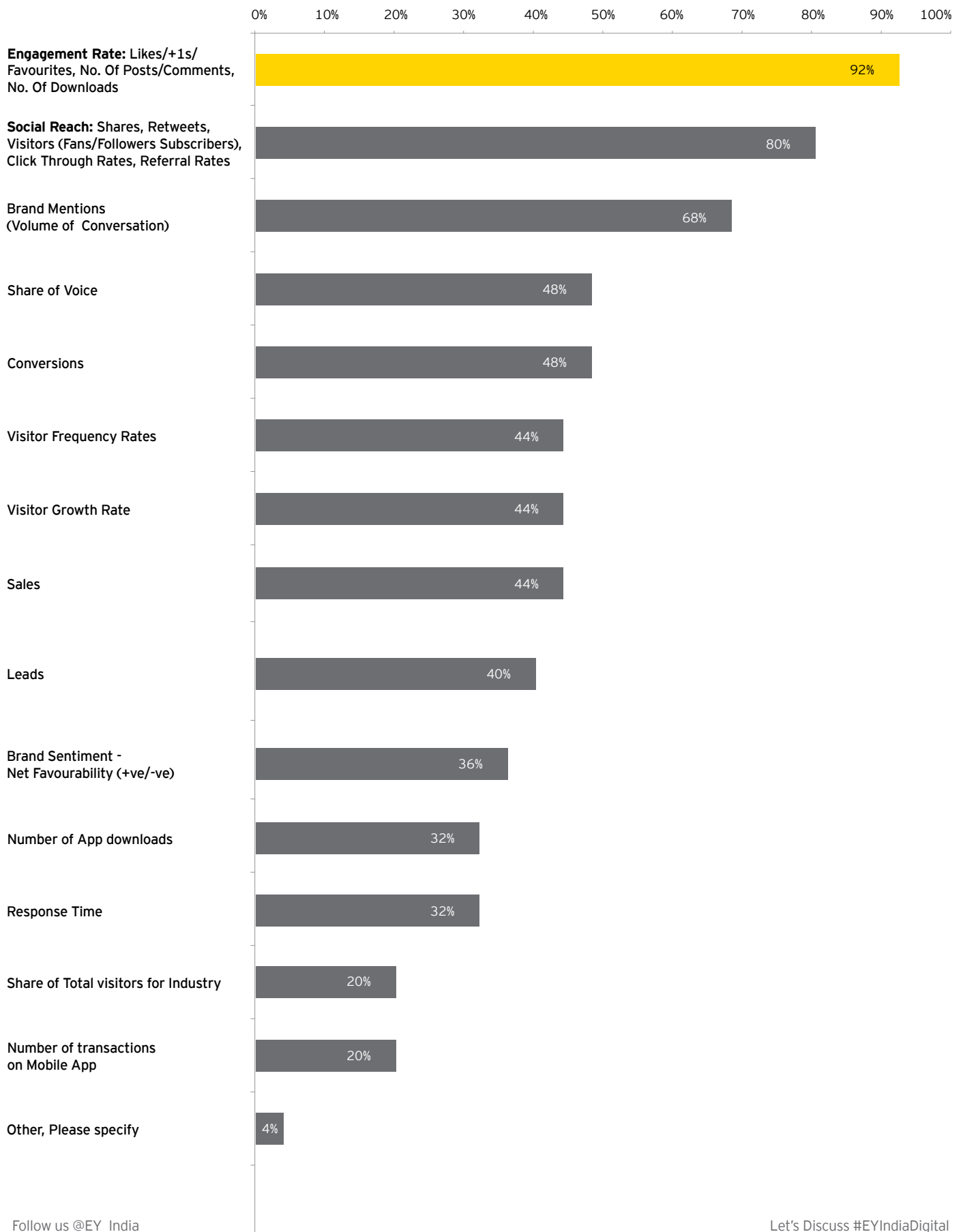
Other tools listed by multiple brands include:

- Airwoot
- Tweetdeck
- Netbase
- Oracle Tool
- Proprietary tools from their agencies
- HootSuite
- Sprinklr



Measurement and metrics

What are the key analytics and insights that help you derive intelligence for your business?





Engagement rates, which include Likes/+1s/ Favorites, Number of posts/Comments, Number of downloads (92%) and social reach, which include Shares, Retweets, Visitors (Fans/Followers/ Subscribers), Click Through Rates, Referral Rates (80%) are clear priorities for majority of the brands surveyed, and 68% of participants also track brand mentions.

A little less than half the brands track Visitor frequency and growth rates, Sales, Leads and Conversions, Share of Voice.

The app-related statistics metrics are not that high – among those brands that stated they have an app, very few track app downloads and no. of app transactions. When brands started introducing apps, the early focus on success metrics used to heavily rely on downloads and installs. Now, however, it is no longer seen as a reliable metric, as engagement and transaction-related metrics are also considered for app success. It is also possible that app download metrics are being tracked by IT rather than marketing, and do not come under the purview of our respondents.

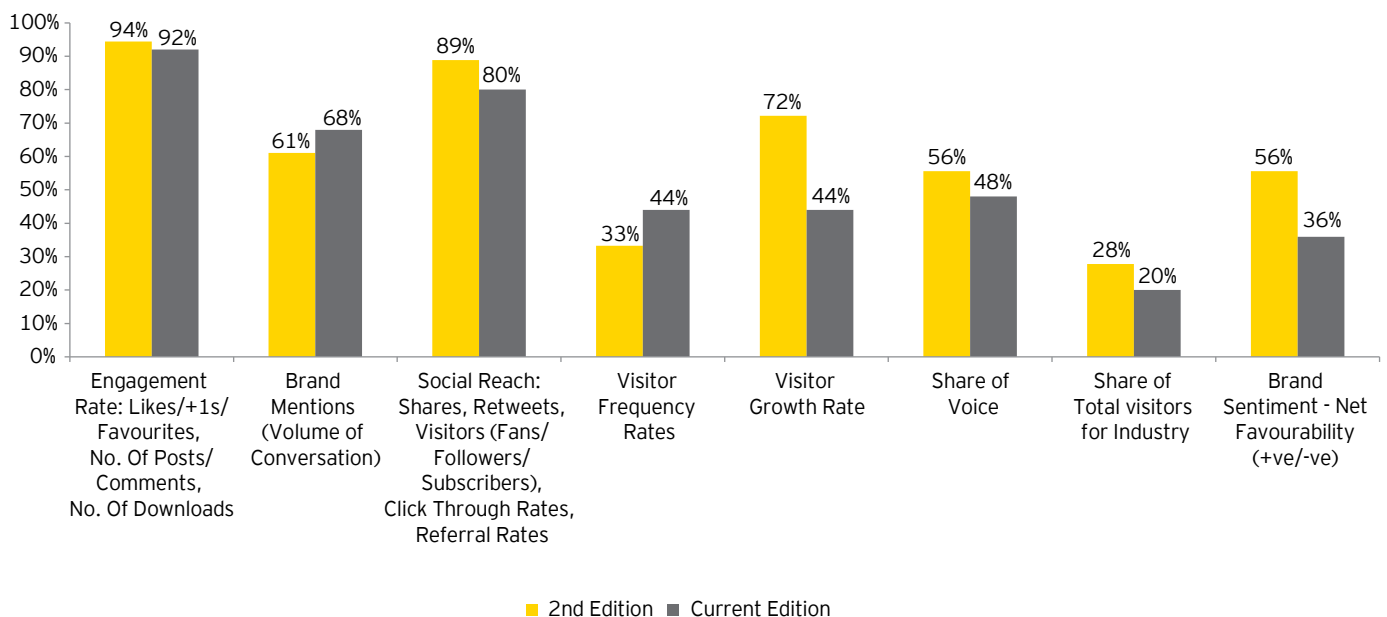
Focus on brand mentions/net favorability as well as response times is not that high based on the brands surveyed (36% and 32%, respectively). This does seem to be in odds to the number of brands that specified they conduct social listening (88%) and use social media for customer servicing (60%).

A few brands mentioned they used their social media and web platforms to share updates and information, but did not yet derive business intelligence from their social media initiatives as yet.

The biggest learning we have had is around conversion rates for different channels. By using UTM codes we have started the efficacy and revenue-to-cost ratios of various different channels. This has helped us cater different campaigns and content based on each separate channel.

Pipa bella Accessories

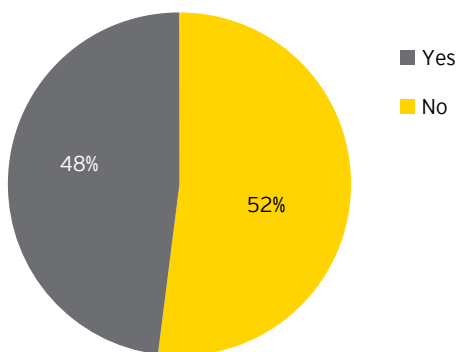
What do you currently measure with respect to social media?





For the metrics we covered in the last edition, visitor growth rates seem to be less important than in our previous report, while visitor frequencies became slightly more important. On the whole, most metrics measured by companies in both editions seem to be more or less the same. We will continue to track these as well as the new metrics we surveyed for in this edition in order to identify trends that may allow brands to derive business intelligence from digital and social media.

Do you measure your ROI from Social Media?



Over the years, brands have faced difficulties in measuring the effectiveness of social media campaigns, and being able to see a direct impact on revenue from social media marketing. According to an Altimeter study,²⁷ quantifying revenue impact of social media includes multiple challenges such as the inability to link the impact of social media on business goals, measurement challenges related to fragmented data from multiple channels and devices, being able to reconcile different behaviors and metrics from different platforms as well relying on multiple sources of analytics from different platforms. Meanwhile, indirect benefits such as exposure, reach and impact on brand perceptions are also difficult to measure through a formula as these are based on earned media mentions and conversations.

48% of brands surveyed still do not measure their ROI from social media.

For those brands that do, some brands have detailed out how they currently measure their ROI from social media:

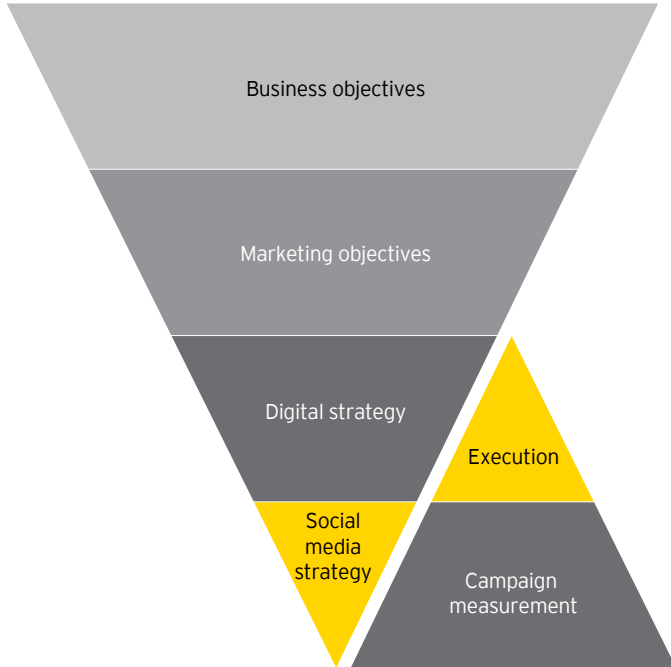
- ▶ Cost of customer acquisition and cost of app install
- ▶ Through impact, engagement and downloads from social campaigns
- ▶ Engagement, SOV and sentiment
- ▶ Engagement rates, conversation rate, mentions etc.
- ▶ Depends on platform and campaign
- ▶ SM campaigns, which have spends to them are driven to a website page or an APP. Spends/ approved leads = ROI
- ▶ Website traffic driven from channel social pages/ accounts onto the landing pages
- ▶ It is at a nascent stage and hence measuring a car buying ROI will be difficult. It's easier for FMCG. So we track leads that come through our social channels and the conversions thereof.
- ▶ We use an attribution model apart from which we track metrics such as traffic, assisted conversions via GA.
- ▶ In terms of conversions/conversations as applicable to a specific campaign
- ▶ We are running targeted campaigns on social for conversions of our products.
- ▶ We track each link and campaign using UTM codes and measure the revenue generated from these campaigns on social media.

These statements have been used verbatim.

However, these ROI measurements still tend to be customer acquisition focused or campaign specific. Setting up quantifiable goals that link to business objectives and then defining KPIs to track them will go a long way in being able to define the ROI on social media.



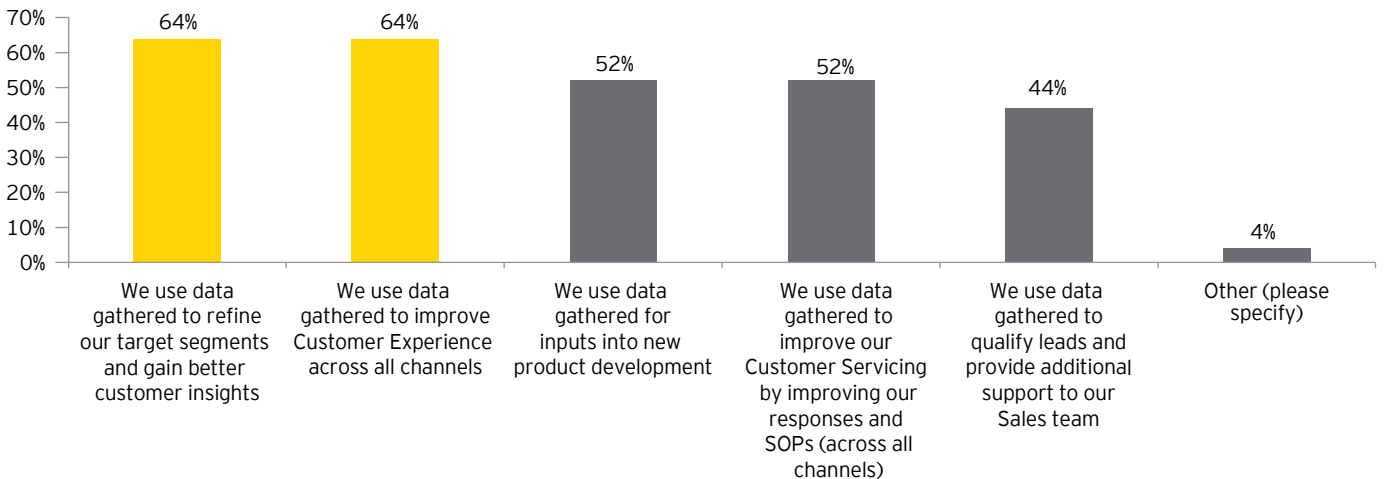
Insights to strategy



Defining a digital strategy is a process where a brand states the performance indicators or goals it wants to achieve by leveraging digital media.

Employing mobile, website, social media, SEO, display advertising, SEM form part of the overall digital vision

**How do you leverage data from digital and social media touch points for your marketing strategy?
Please select all that apply.**





Focused and segmented approach is only going to work.

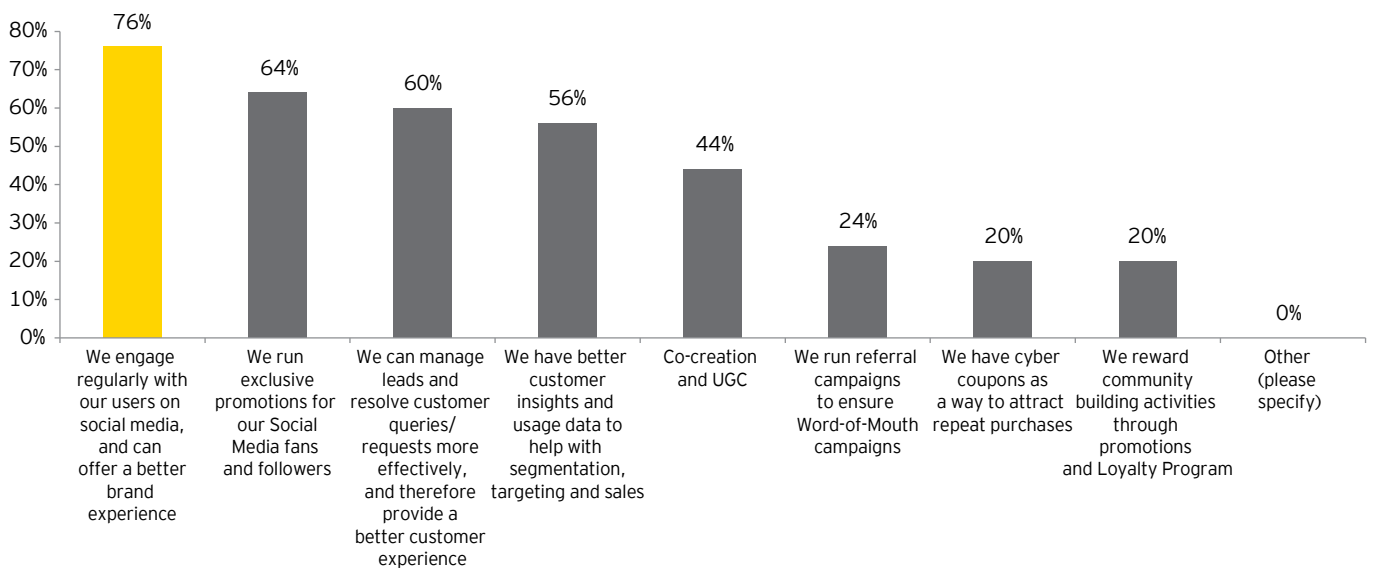
9X Media Pvt. Ltd.

Almost two-thirds of brands surveyed use data gathered from digital and social touch points to gain better customer insights (64%) and to improve customer experience on all channels (64%). Almost half the participants use insights for new product development or to improve their customer servicing.

Meanwhile around 44% of participants integrate these insights into their sales funnel.

Some brands use data from digital and social media touch points only to track engagement and reach, instead of leveraging this further.

How does your social media or digital strategy help with repeat purchases and building a community of loyal users?



To build a community of loyal users and to help with repeat purchases, 76% of brands believe in regularly engaging with users on social media, while around 64% of brands feel that running exclusive campaigns for their fans and followers will achieve that.

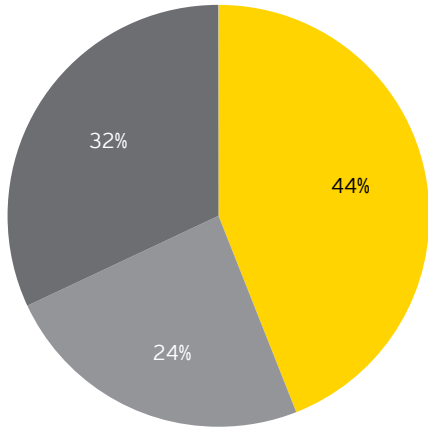
A little over half of the brands surveyed think that the insights from social media help to improve their segmentation, targeting and sales, while 44% feel co-creation and user generated content (UGC), lead to repeat purchases and loyal users.

Around 60% of brands feel that social media allows them to effectively manage leads and resolve customer queries and requests, leading to an improved customer experience, which in turn, leads to more loyal customers.

A quarter of brands have run referral campaigns, while only 20% of brands feel that cyber couponing and community building/loyalty programs will lead to more loyal users.



Is social CRM part of your current or future social media and digital strategy?



- Yes, we already use Social CRM to engage with and serve our customers
- Yes, we plan to introduce this within the next 6 months
- No, not in the near term

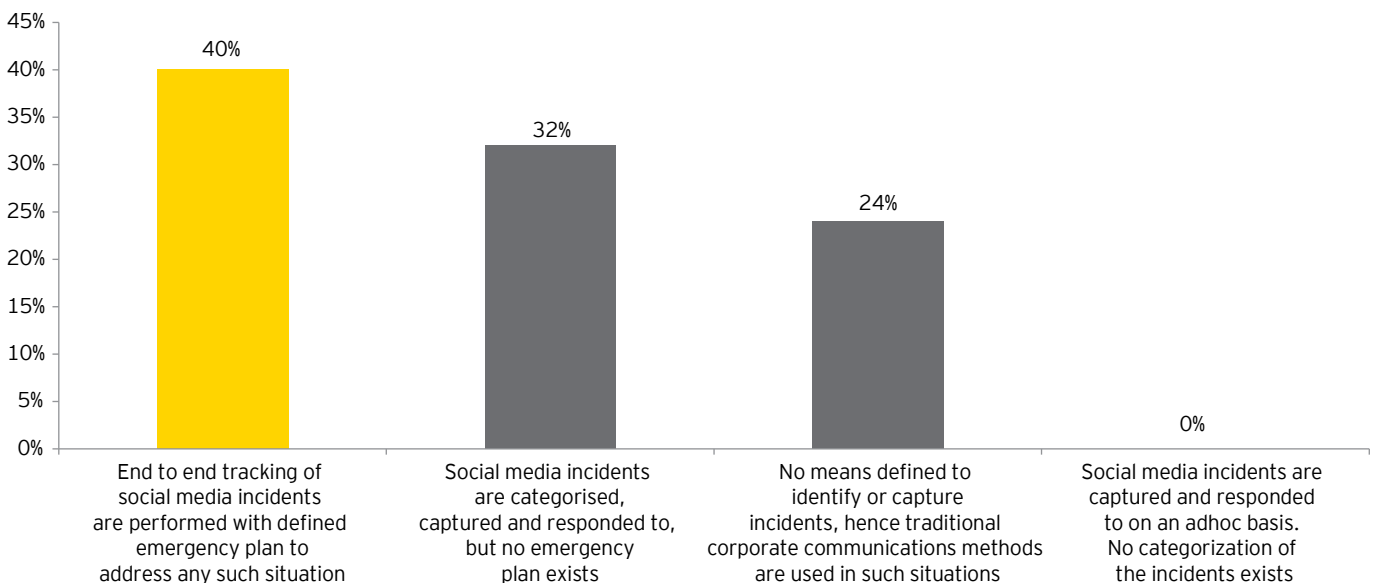
Digital consumers are becoming inherently mobile, increasingly using social media to evaluate and interact with brands, and are always connected, which means consumer no longer enter the channel, but are continuously in the channel, and are “always on”. This will mean customer expectations related to customer servicing have changed, and instant responses are expected by brands.

Data generated through social media, and analyzed through a social CRM platform can be leveraged to streamline customer servicing, as well provide insights that can help with lead generation and conversion to sales, which is why the integration of social CRM is expected to be a INR600 billion (~INR60,000 crore) market by 2018.²³

Based on our survey, around 70% of brands surveyed stated they currently service or plan to use social CRM to engage with and service customers. 32% of brands still do not plan to introduce this in the near term.

Governance and Response Management strategies

Is there an emergency plan that defines how to react to social media incidents/negative campaigns from outside the organization?





Content marketing is the key; crisis management is the best time to change the perception

TATA Motors

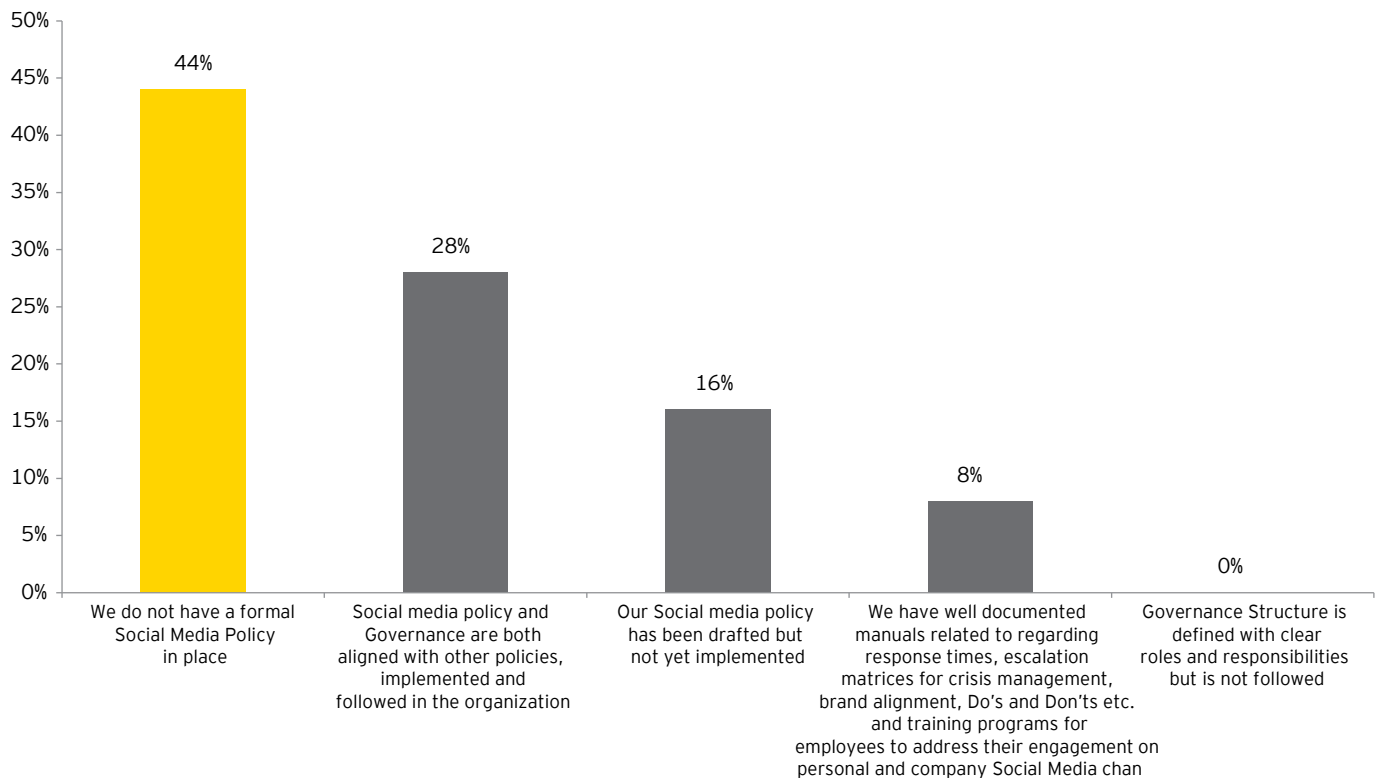
Brands such as Airtel and Nestle realized the need for a strong plan to address users on their social media channels during and after the net neutrality debate and the Maggi recall. However, users still got a chance to vent and post the extremely negative posts about these brands before damage control initiatives took over. To avoid similar situations, which may negatively affect brands in the long term, brands should plan for online reputation management protocols.

40% of brands surveyed mentioned they track end-

to-end incidents on social media, and they respond according to a defined emergency plan.

However, a large majority of brands still do not have such an emergency plan in place. 32% of brands capture, categorize and respond to issues that arise on social media without a formal emergency plan. The remaining 24% of brands surveyed still use traditional corporate communication methods to respond to emergencies, since they do not currently have any means to identify or capture incidents through social media.

Is your organization driven by a formal Social Media Policy and Governance Framework for social media?





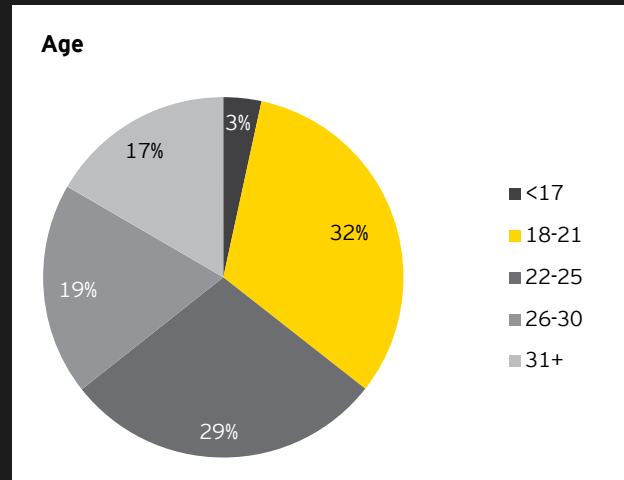
Consumer view

Consumers are hard to define, target, reach out to and to serve.

This year in the 3rd Edition of SMMITS, we went ahead to explore the consumer side of the story, their digital lifestyle and their online behavior when it comes to engagement with the brand. An understanding about the types of consumers we surveyed is detailed out in the beginning of this report.

According to Wikipedia, Millennials are “the demographic cohort following Generation X. There are no precise dates for when the generation starts and ends; most researchers and commentators use birth years ranging from the early 1980s to the early 2000s”. Internet marketers, right from brand managers to media planners are obsessed with “millennials” and their online behavior and their engagement with brands across life cycle at various touch points.

This age group (18-34 years) uses social media to seek information, purchase and interact with the brand. We reached out to 1,250 end users and found out more than 60% of them are up to 25 years of age and around 70% of consumers use a mobile, which costs up to or below INR15,000 (US\$225).



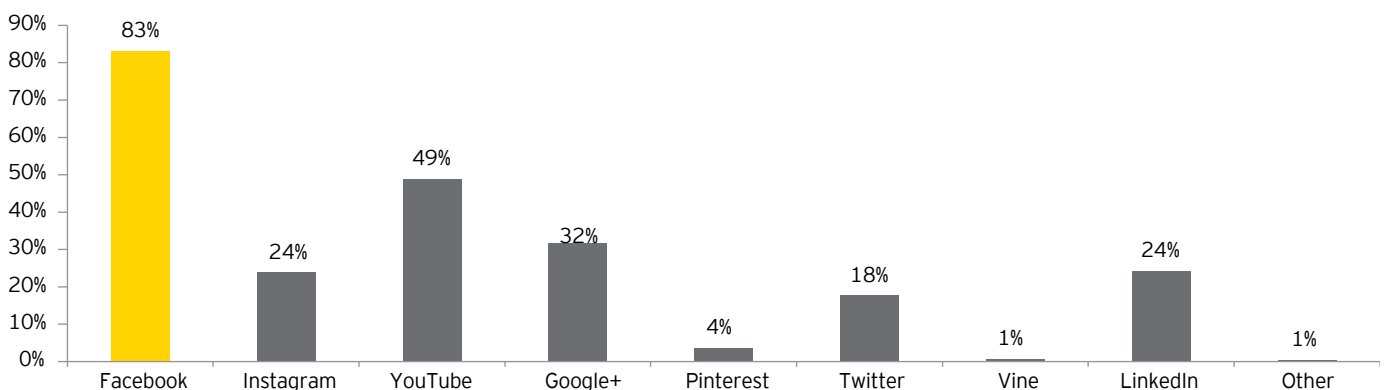
We reached out to consumers across multiple cities such as Pune, Hyderabad, Bengaluru, Ahmedabad, Chennai, Mumbai, Kolkata, Delhi-NCR and few others. 55% of our respondents are males and 45% are females across India.

1 Section Find



1. Discovery: preferred platforms

What platforms are you active on?





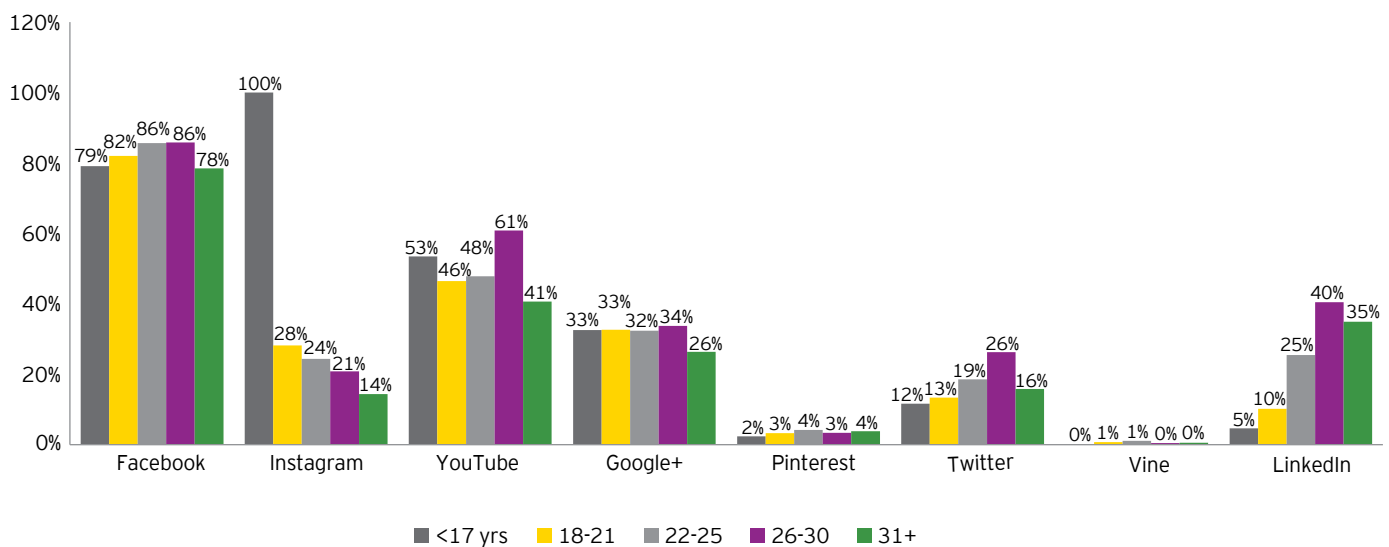
Undoubtedly, the most popular social media platform is Facebook with 83% of consumers present there. YouTube is second in popularity with a 49% usage quoted among respondents, while the fast-growing Google+ is used by 32% of consumers making it the third-most popular social media platform.

Instagram comes fourth and is gaining wide acceptance at 24%. Instagram, Facebook's 2012 acquisition had reached more than 300 million users per month globally by December 2014.²⁷

According to 1Q1628 numbers from Facebook indicate that users average 50 minutes per day on Facebook, Messenger and Instagram. This is excluding WhatsApp, which is another one from the Facebook family. With Instagram now rolling ads on its platform, it will be interesting to observe how Instagram's monetizing works out, how brands tell their story in less than a minute and how users react to spots on their timeline, for the first time.

Surprisingly, only 18% of consumers are active on Twitter. Pinterest and Vine both have minimal usage among Indian consumers, at 4% and 1%, respectively.

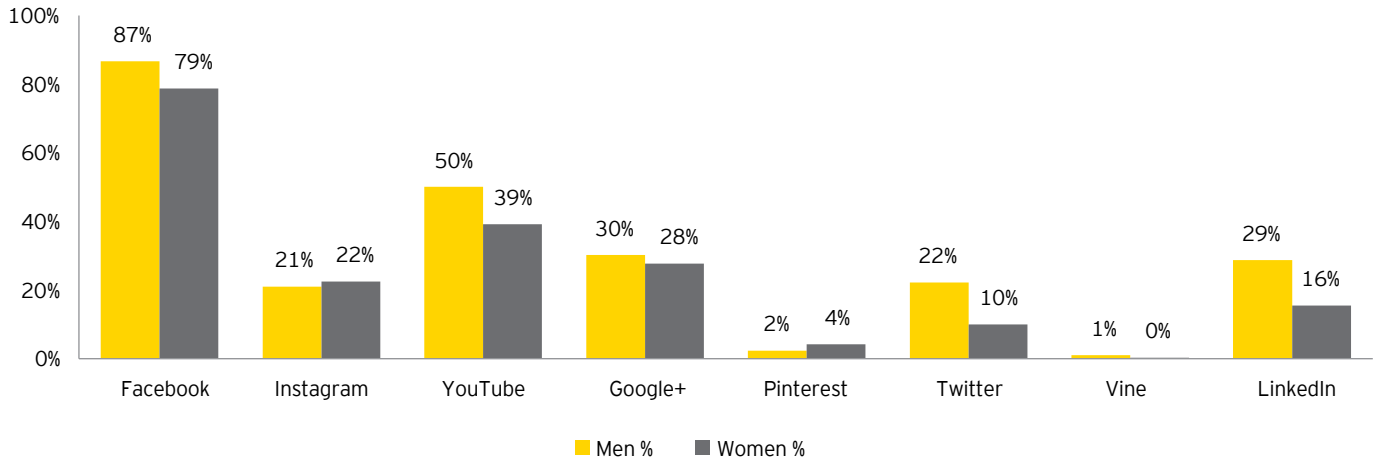
Age-wise break up view for presence on social media



LinkedIn is at 24% just like Instagram but the differentiating factor between the two is that younger consumers are more attracted to Instagram, while older consumers have the highest presence on LinkedIn. Moreover, the gender wise break up shows Instagram and Pinterest has marginally higher adoption among females.

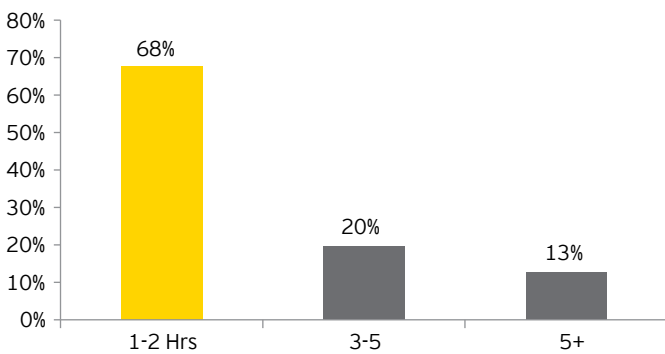


Gender-wise break up view for presence on social media



2. Social media and digital usage: time spent on social media

How much time do you spend on social media?

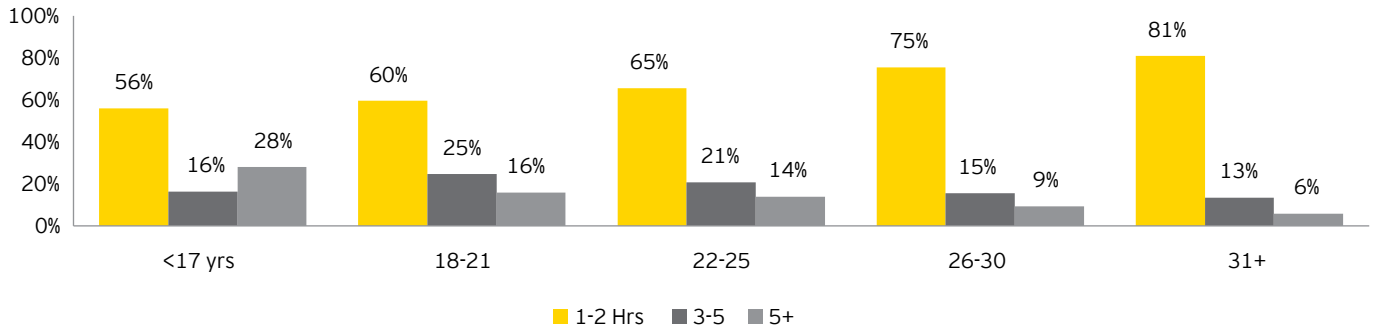


The majority of consumers (68%) spend one to two hours on social media platforms per day, while only 13% spend more than five hours per day. This has been observed across several surveys globally. For example, according to GlobalWebIndex²⁹ polled 170,000 internet users about their internet habits, and found that average usage times for social media sites rose from 1.66 hours per day in 2013 to 1.72 hours per day in 2014. With increased adoption of smartphones, increasing internet penetration and emergence of new platforms, the time spent on social media seems likely to keep on increasing by few minutes every year.





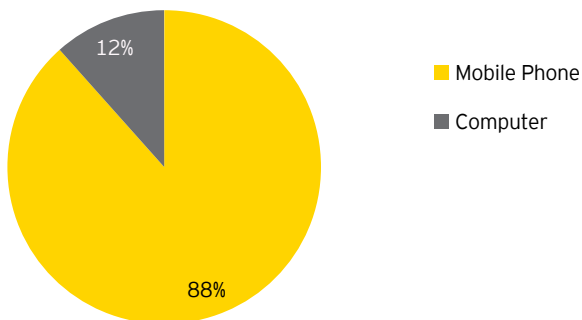
Age-wise break up of time spent on social media



In general, as the age of the respondent groups tend to increases, the amount of time spent on social media seems to be decreasing.

3. Social media and digital usage: accessing social media

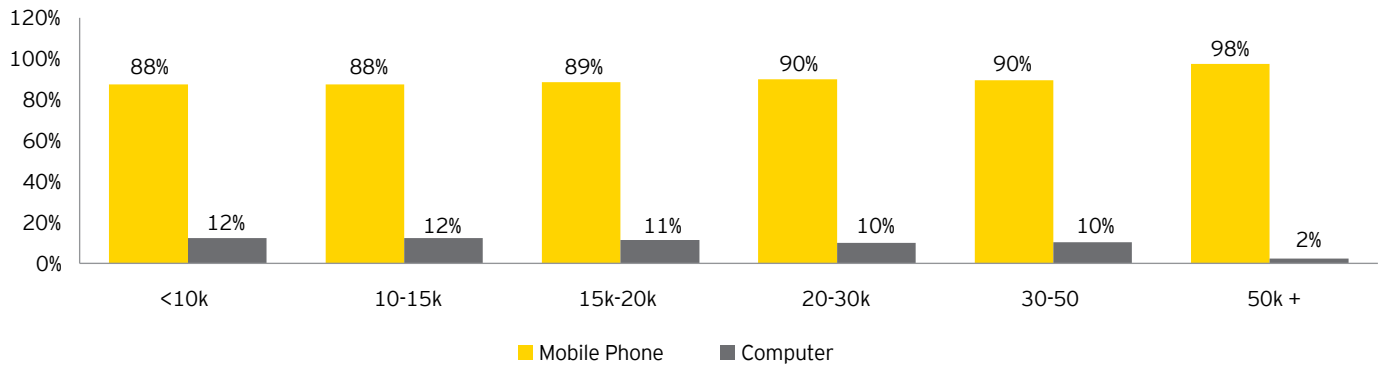
How do you typically access your social media accounts?



Mobile internet in India is growing significantly. We are now seeing how an entire generation have skipped the desktop and floppy disk era. An outstanding 88% of consumers we analyzed access social media through their mobile phones. Mobile-centric users may be using a different handset in terms of pricing, but they are accessing different content, news and platforms all from their smartphones. This also means a lot of things to brands and marketers in terms of effectively integrating mobile in to their marketing plans.

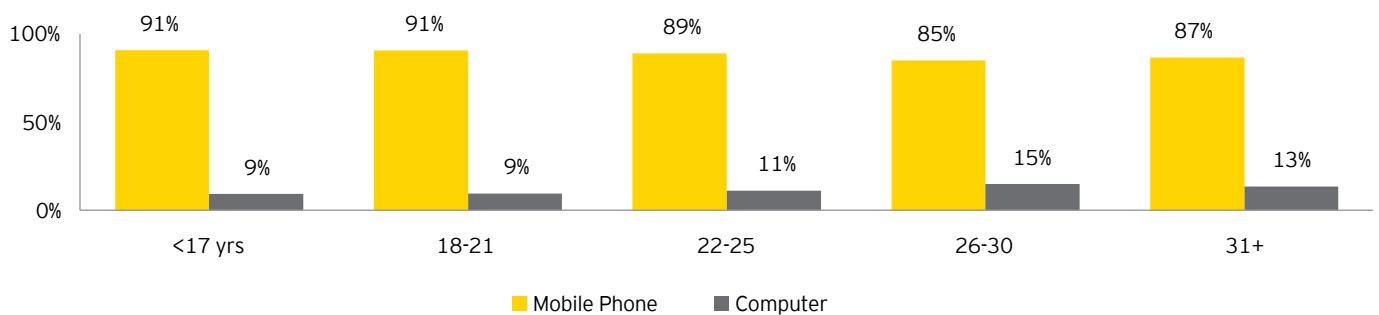


Device price break (INR) up view for using apps to access social media



88% is already a high majority when it comes to accessing platforms through apps, the percentage tends to gradually increase for those with phones priced higher than 15k as well as for consumers aged 25 and below

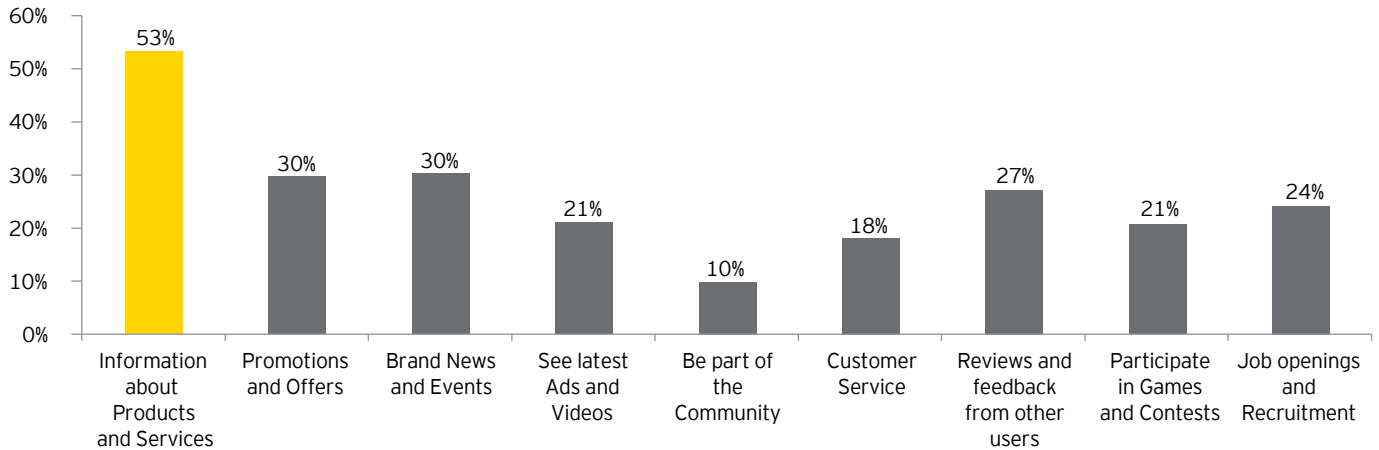
Age-wise break up view for using app to access social media





4. Social media and digital usage: affinity with brands

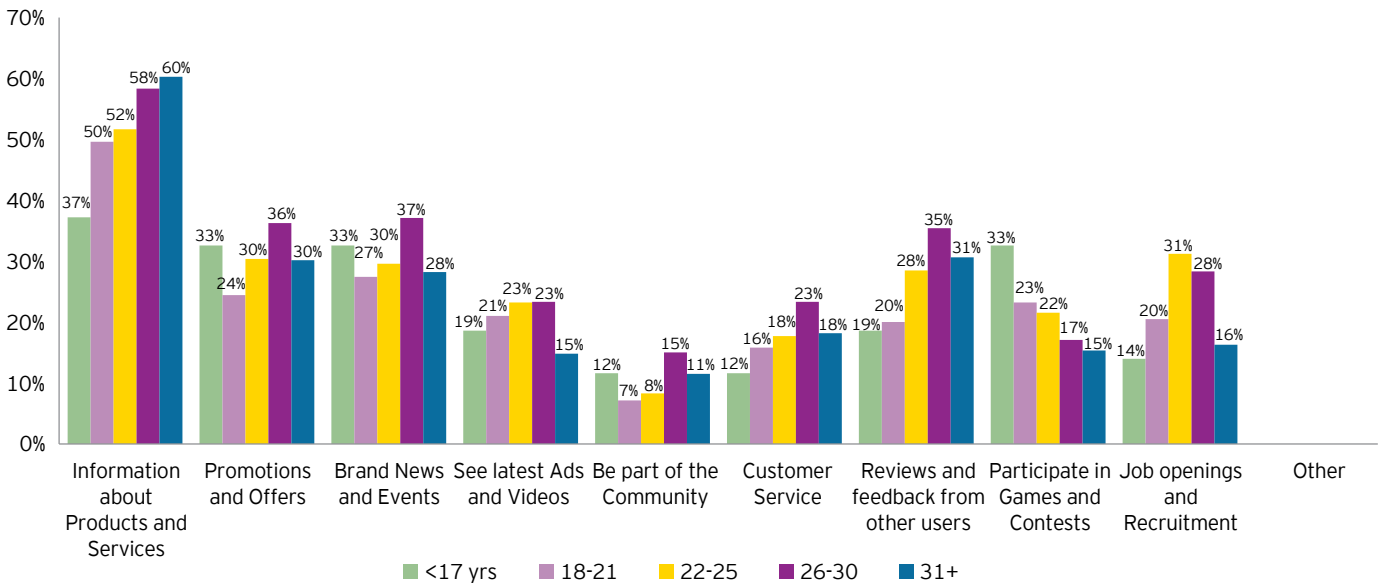
What do you look for when visiting company/brand accounts on social media?



More than 50% of the respondents say the primary reason for consumers to engage with brands on social media is to gather information about the brand’s products and services. Finding out about offers, events, user reviews, and job openings are some other popular motives for customers to visit brands’ social media accounts. Promotions as a communication hook have been an integral part of marketing activities on social media. Brands talking about discounts and offers have been a pervasive trend to attract and engage fans and followers on social media.

As the age of the customer increases, they become more interested in information about products and services and less interested in participating in games and contests

Expectations from a brand across different age groups



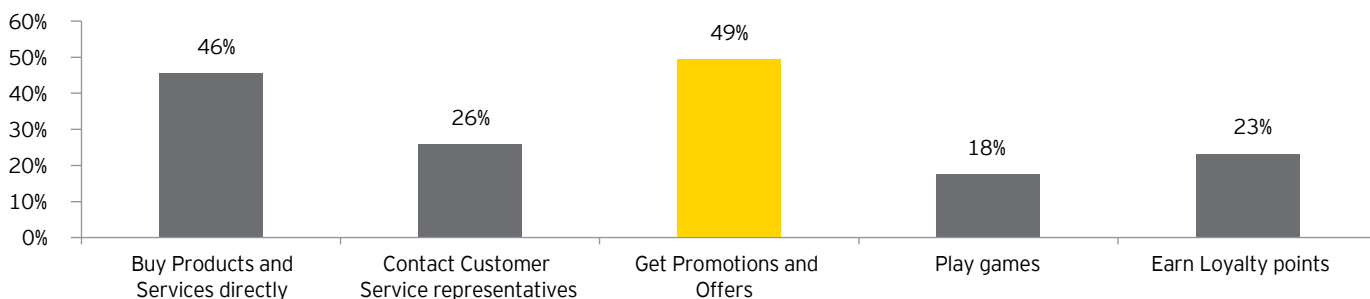


Section 2 *Engagement and purchase*



5. Engagement and purchase: how consumers engage with brands

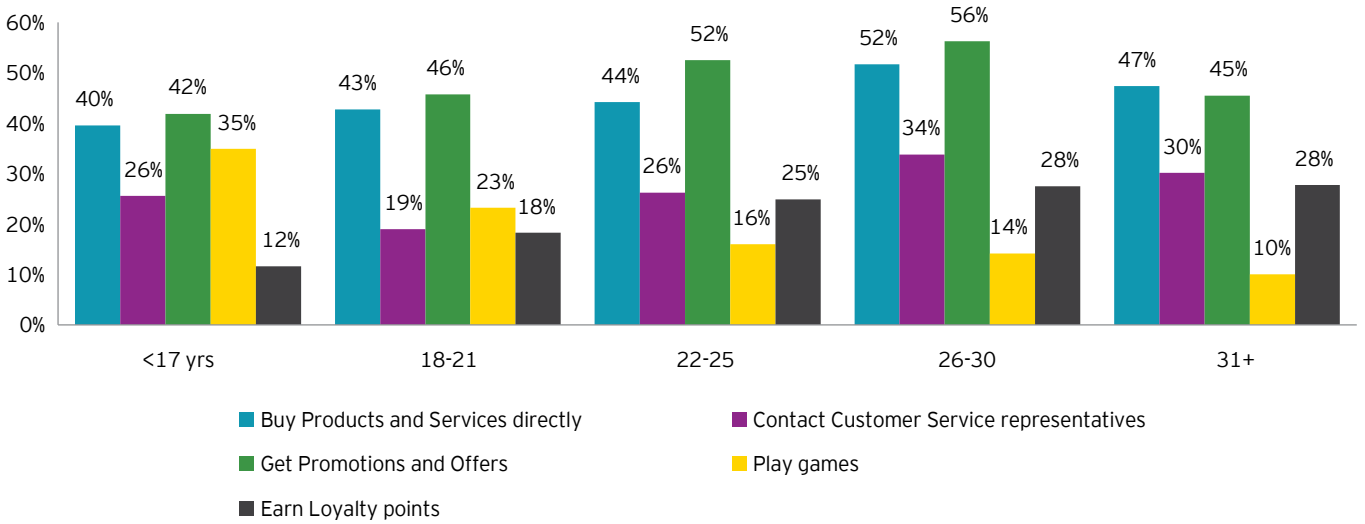
How would you like to engage with brands social media?



Close to half of consumers would like to know more about promotions and offers from a brand. With the Government now allowing 100% FDI in the online retail space and at the same time defining the rules for offering discounts, it will be worth the wait to see how the discount wars turns out to be for brands and what it means for the customers. 46% want to be able to buy products and services directly. Customers also find it important that they earn loyalty points (23%) and be able to contact customer service (26%) through social media platforms.



Age-wise break up view of brand engagement on Social Media



Promotions and offers seem to be a favorite across age groups. Moreover, brands perceive promotions and offers as important communication hook in paid and social media campaigns.

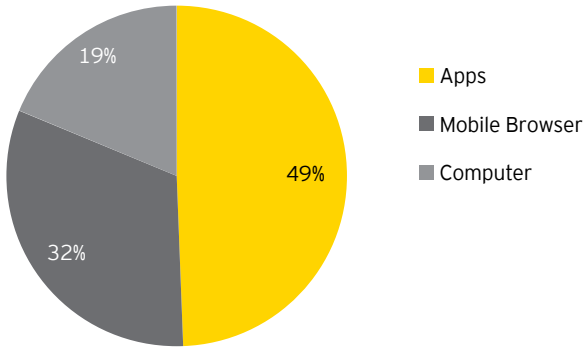
Getting in touch with customer service is consistent between 26%-34% across all age groups. Lastly, as age increases, earning loyalty points gains some importance.





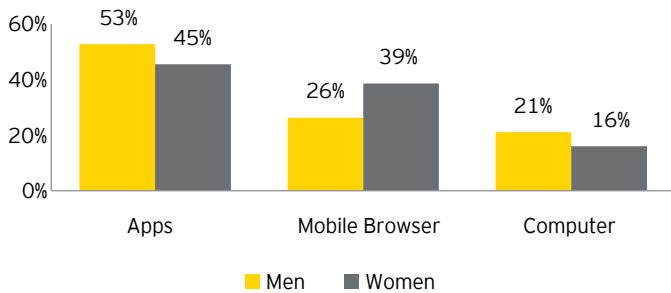
6. Engagement and purchase: preference for online shopping

What is your preferred online shopping channel?



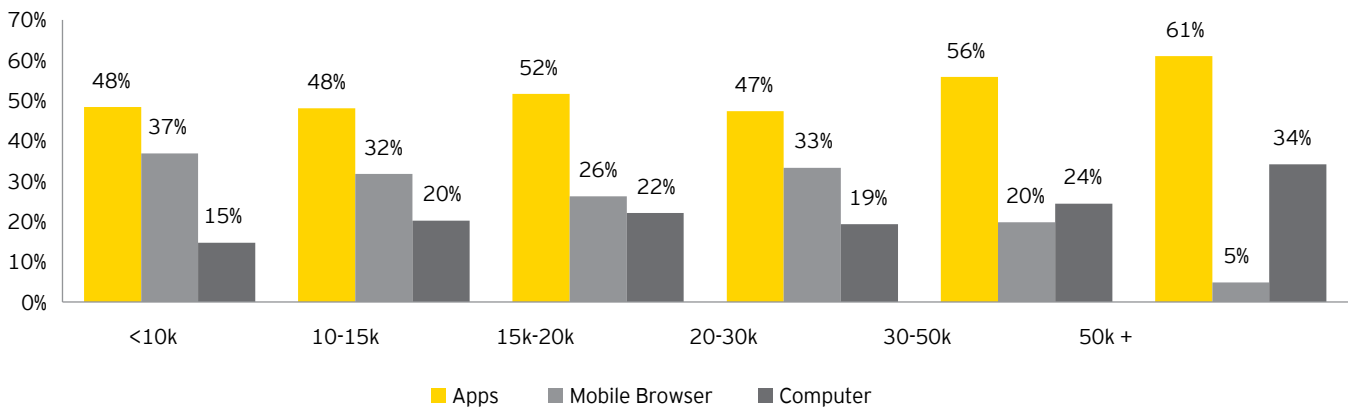
A majority of consumers (49%) prefer to shop online through mobile apps, as compared to a mobile browser (32%) and a computer (19%). For e-tailers focusing on mobile only, this user insight may be a hint to how the future of mobile commerce shapes up. We have seen brands experimenting with mobile-only approach, but with consumer preferences continuously evolving along with operational challenges, app adoption has always been a primary focus for brands to gain more followers and transactions through aggressive discounting and app exclusive deals.

Gender-wise break up for preferred online shopping channel



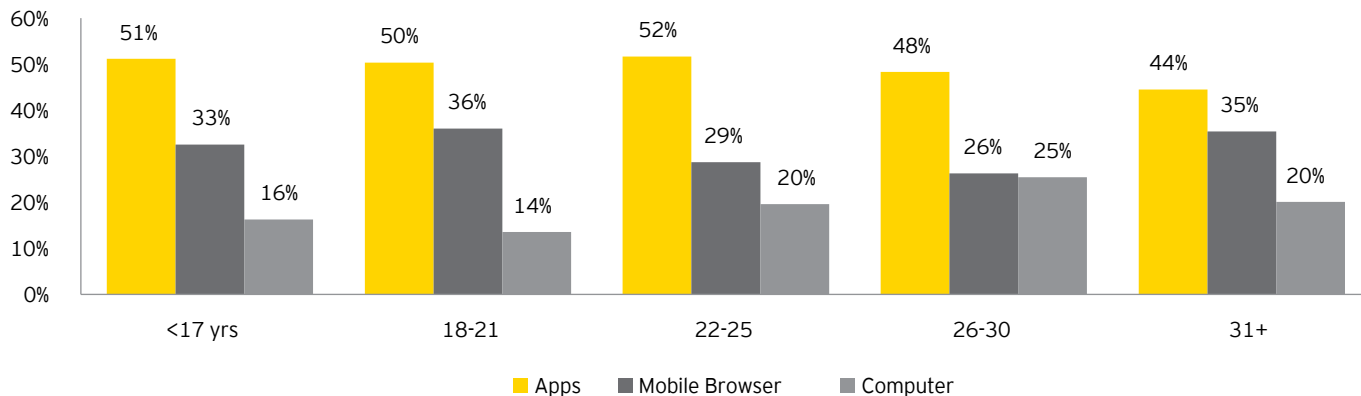
Both men and women prefer apps over mobile browser and desktop computer. This is also applicable across gender, age and regardless the price of device.

Device price break up (INR) for preferred online shopping channel





Age-wise break up view for preferred online shopping channel



7. Engagement and purchase: types of apps

What kind of apps do you prefer to download?



- The number of apps I need to download doesn't matter - I prefer to download individual apps for different functions (e.g. Facebook and Facebook messenger) and for individual brands.
- I prefer to download less apps - I prefer it when apps load all functions into one app or when I can access multiple brands from one app

The respondents are almost evenly split between having multiple apps for different functions and a single app for all functions.

With the advances in artificial intelligence, and Facebook launching a bot store for its Messenger app, chat bots seem poised to become a new way for brands for brands to interact and converse with customers. They may go on to replace an app if the experience can be managed well – for instance a user can message Uber and ask for a ride through Messenger or other integrated chat bot platforms like Assist.²² Users who prefer downloading limited number of apps may prefer options like this and as chat bots mature, we will track how this trend develops in India.

Mobile engagement is the key focus for the coming financial year. Native ads, video marketing and content marketing seem to have better engagement and acquisition results rather than traditional banner advertising.

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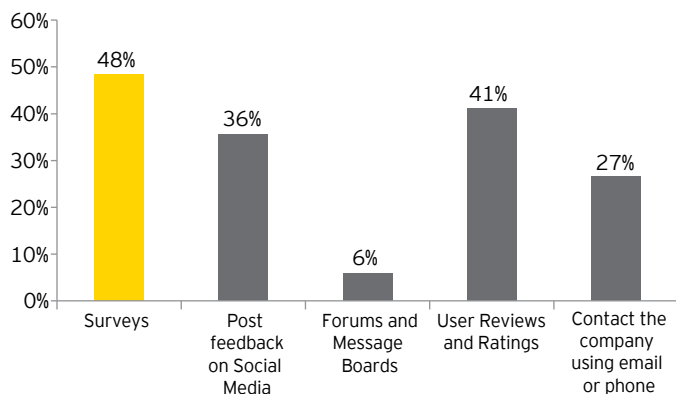


Section 3 Loyalty



8. Loyalty: customer feedback

What is your preferred means of providing customer feedback to a brand?

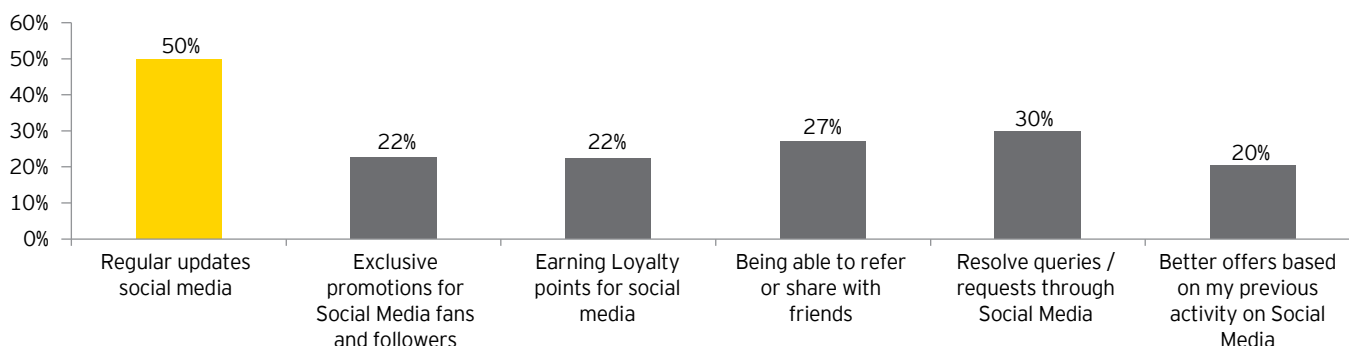


According to 48% of consumers, surveys are the best mode to provide feedback to a brand, with user reviews and ratings being the next best method at 41%. Interacting with the brand on their official social channels seems to be the third-most preferred option for users to provide feedback to the brand.

Repeat usage and purchases

9. Loyalty: repeat usage and purchases

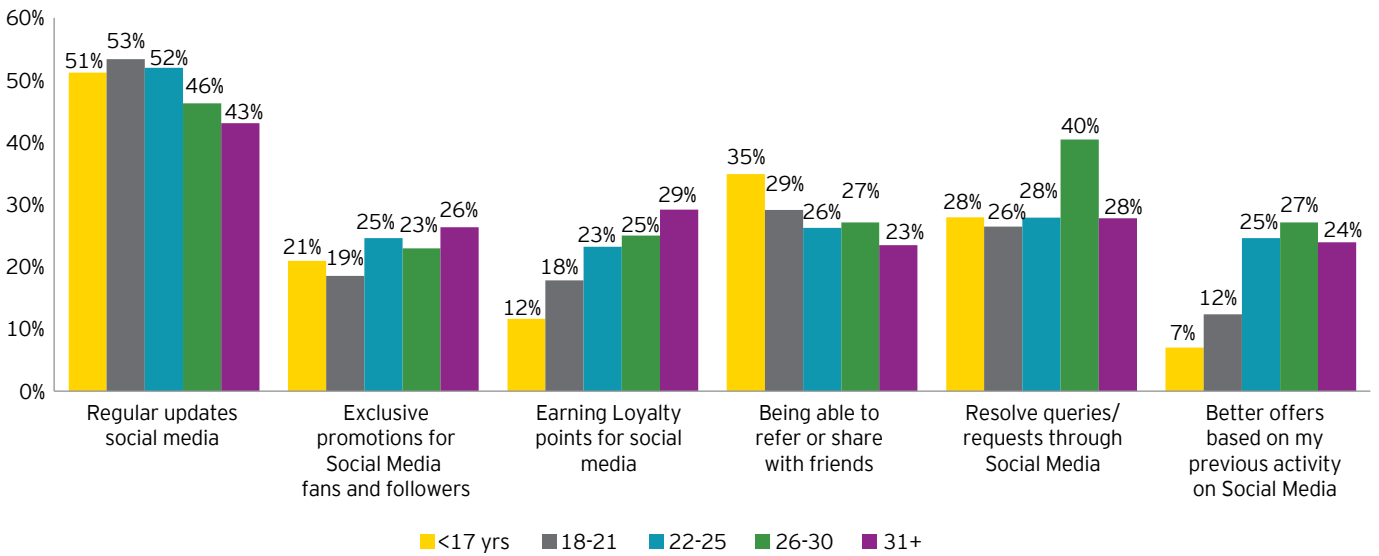
What Social Media activity would make you a loyal user/repeat purchases?





50% of consumers said regular updates on a brand’s social media channels is likely to increase their loyalty and encourage them to make repeat purchases, with the ability to resolve queries (30%) and refer friends (27%) being the second- and third-most important activities respectively. Men are more open than women toward exclusive promotions as an incentive for their loyalty.

Age-wise break up view across age groups which determines loyalty toward a brand



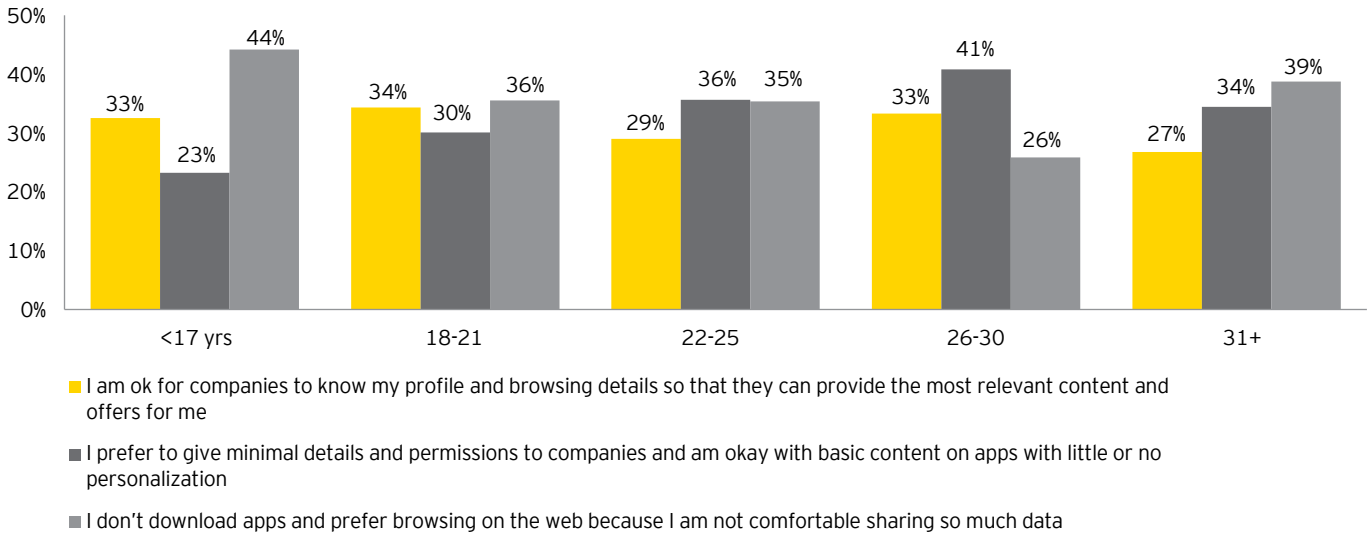
As noticed even earlier, target groups of more than 31+ are inclined toward earning of loyalty points, resolution of queries, customized offers and tailor-made offers.





10. Loyalty: personalization

How comfortable are you with detailed profile and usage data being collected in exchange for tailored offers and personalized content and services?



Across age groups (except 26-30), people are not comfortable sharing personal information with brands, while those between 26 and 30 are marginally less hesitant to share their personal details.



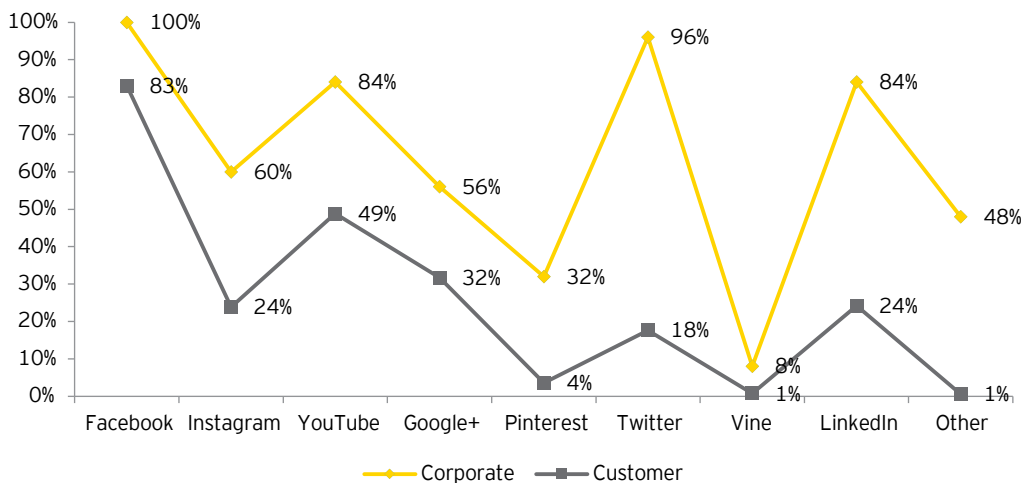


Points for brands to note:

Based on responses that both brands and consumers provided, brands may be able to understand the kinds of questions that they should ask themselves in order to gain improved insights from their own customer base, which will help them to understand whether their digital and social media strategies need to be modified or optimized.

Platforms

Social Media Platform presence



Brands are present on all the platforms where customers are present, and these seem to follow similar usage patterns with the exception of Twitter. Brands should monitor these platforms with respect to their target audiences, and to understand whether they should invest in these platforms over time.

Brands go where consumers are. Brands have always been anxious to reach out on platforms where consumers are present. This is applicable for both existing and emerging platforms. Facebook always has been a marketer's platform and Twitter has evolved into an important customer channel, since every platform works in a different way and serves a unique purpose to brand's digital existence. Unlike Facebook, consumers on Twitter and LinkedIn follow a select

set of brands based on interests and needs. Hence, we can see wider gap in the above graph for these two platforms. It is imperative for a marketing manager not to be just present on the platforms where users are but monitor the brand sentiment beyond the brand presence.

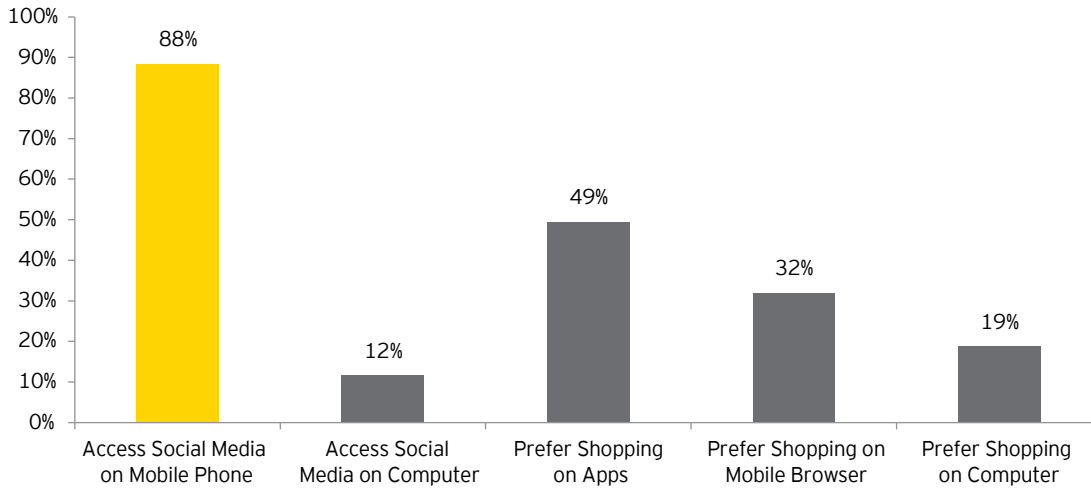
Facebook as a platform is not efficient to drive awareness unless media backs it. Unlike twitter does not drive the feeling for instant

Bajaj Finserv



Mobile presence

Consumers - preferences

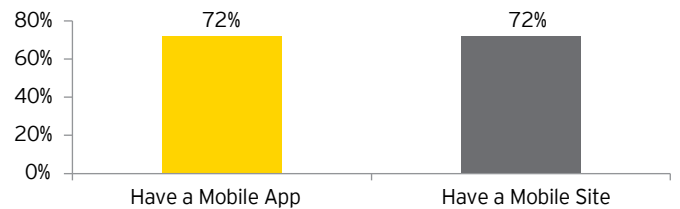


Most of the customers (88%) prefer to use mobile phones to access their social media accounts while 81% prefer apps or mobile browsers for online shopping.

Corporate - effectiveness of channel for customer engagement



Corporate - mobile presence



Despite brands rating mobile sites and mobile apps in the top five channels for effective engagement with customers, only 72% of the companies currently have mobile-friendly websites and app.

Poor Infrastructure and high cost attached with internet access remains a major challenge

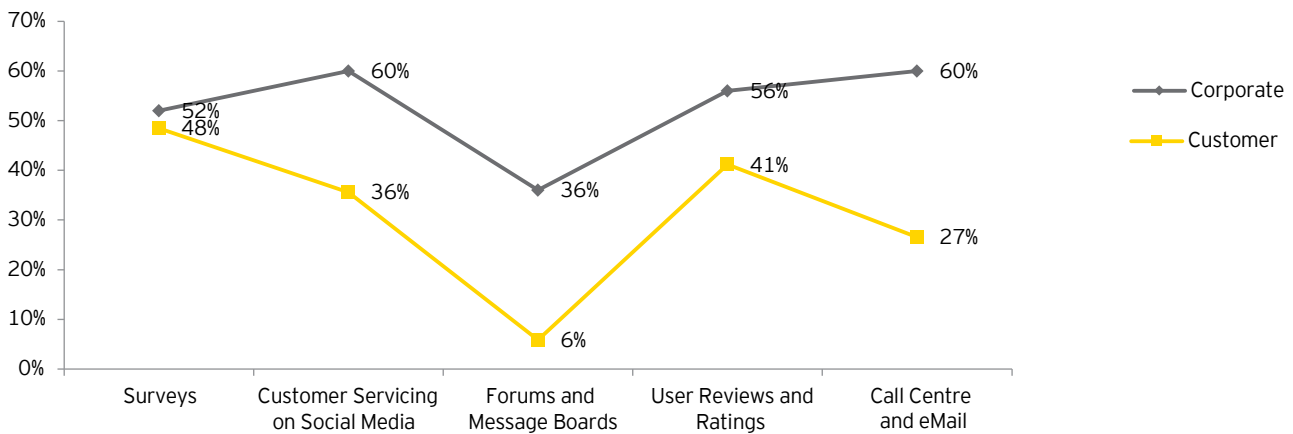
Vadilal Group



As mobile devices become cheaper, and internet penetration increases, the number of people accessing the internet via their mobiles will increase. Brands that do not have a mobile presence may want to explore introducing mobile-friendly sites and apps to reach and capture new audiences.

Customer Feedback

Customer Feedback



Customer servicing on social media, surveys, and user reviews and ratings were seen as preferred means of gaining/providing feedback by consumers and brands.

However, brands should understand whether they can streamline their call centers and email responses to interact with customers, as well as understand if their presence on forums and message boards is necessary for their key target segments.



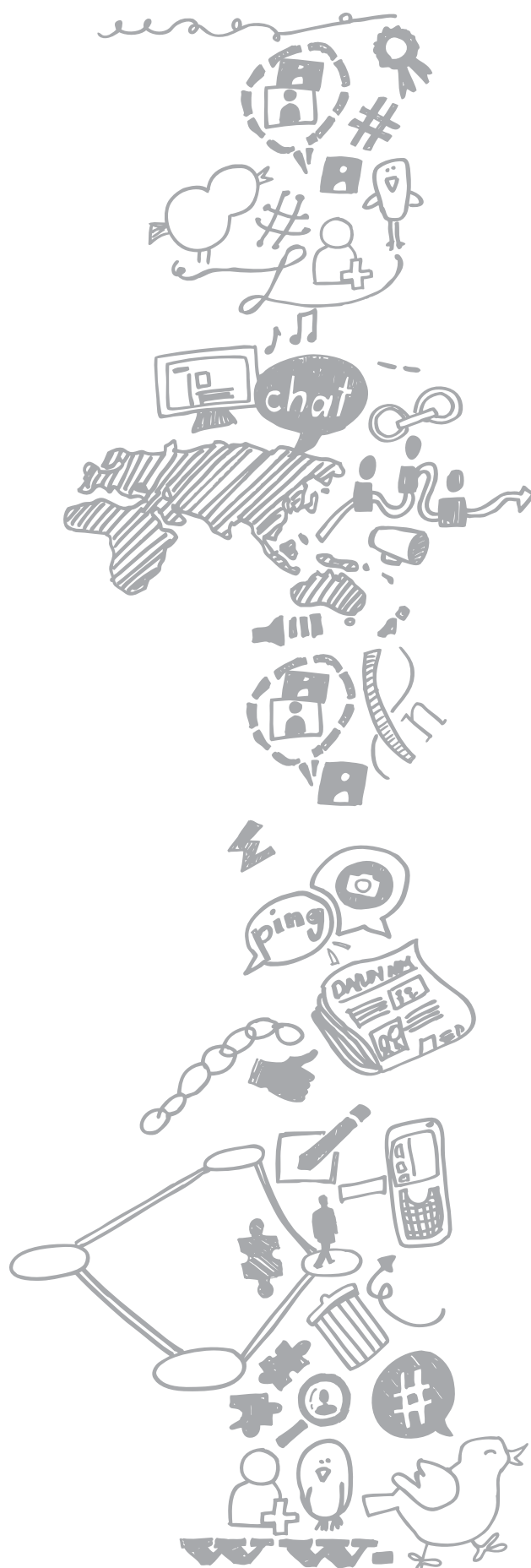
Conclusion

Community, content and creativity have been clear winners for marketers to tell the brand story and reach out to potential customers. Digital marketing is increasingly becoming focused on creating extraordinary customer experiences across all channels and touch points. Personalization is being redefined at a whole new level in order to establish an emotional connect. As a marketer, you are forever in this loop to sanction budgets, execute campaigns and prove the ROI. However, in the race to gain improved SOV and more customers, as brand marketers we need to ask the right questions about our brand's digital journey, its existence and future prospects.

In the end, it all comes down to consumers, their preferences and how our marketing efforts will change their buying behavior. In doing so, it becomes imperative to listen to them regularly. Among constant challenges, it depends on how a marketer can effectively automate some of the tasks such as social listening and monitoring to begin with, in order to face the next set of challenges.

A deeper analysis of your digital marketing efforts and its performance will help you discover the maturity stage of your technology and people at an organization level and help you focus on your biggest strengths, investment areas and key focus areas for your digital marketing efforts to be far more effective.

It has been a wonderful journey exploring the Indian digital and social media landscape over the past few years and we look forward to what is in store for us in the next year.





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