AS SOCIAL TAKES OVER THE CUSTOMER JOURNEY, CAN MARKETING STRATEGY KEEP UP?

Kantar TNS’s latest Marketing Monitor study of the priorities for marketers in Asia Pacific shows a big shift in the tactics employed over the last 12 months. Marketers have been quick to follow consumers onto rapidly growing social media channels – but has their capacity for strategic planning been able to keep up?

A year ago we reported on how marketers were demanding an integrated view of real-time data that could enable them to make better decisions. In the absence of such an integrated view, junior marketers are increasingly depending on social media monitoring to direct what they do next – but their more senior colleagues know that simply responding to comments and feedback on social is not enough to build coherent brand strategies.

In this report, we explore five key themes that demonstrate the pressure on marketers to develop meaningful brand strategies amid the rush to real-time engagement on social:

1. End-to-end customer experiences now the top priority for marketers
2. Social media is dominating the customer journey
3. Resolving social spend a priority focus for marketers
4. Marketers see social media as a go-to source of insight
5. Marketers are grappling with multiple touchpoints

Marketing Monitor 2016
Kantar TNS surveyed 2,250 marketing professionals across all levels in eleven key markets in Asia Pacific: Australia, China, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand
Marketing and communications campaigns used to have a defined remit: building brand awareness, identifying gaps in the market and ultimately, driving sales. Now their focus is on building a single view of the customer – tracking their customers and their communications across every touchpoint, flexing every platform to meet a wide range of consumer needs, from research to purchase to customer service. They have a responsibility to manage customer journeys all the way from initial awareness through to the decision to purchase, the experience of brands and products, and the impact that this has on loyalty and advocacy. They are in the customer acquisition business – but also in the customer experience business. And many marketers acknowledge that they still have some way to go in adapting to this broader role.
Results from the Marketing Monitor study showed that customer relationship management is now the number one priority for marketers in Asia Pacific (Fig.1), ahead of increasing brand awareness and digital transformation. However, just as significantly, customer relationship management is also the area that marketers are most likely to say they need to evolve, listed by 40 per cent as a priority area for development (Fig.2).

The growing importance of customer experience is also reflected in how marketers use the different points of consumer contact, or touchpoints, available to them. Marketers are almost as likely to use social media for customer service (43 per cent) as they are to use it for brand communications (46 per cent). Customer service channels also represent three of the ten most important touchpoints: social media customer service, interactions with in-store staff and online customer service channels.

### Top priorities for marketing departments

1. Customer relationship management
2. Increasing brand awareness
3. Transforming the marketing organisation
4. Deriving value from data to inform decisions
5. Identifying and delivering new sales opportunities
6. Marketing automation and programmatic

### Priority development areas for marketing professionals

<table>
<thead>
<tr>
<th>Area</th>
<th>Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer relationship management</td>
<td>40%</td>
</tr>
<tr>
<td>Innovation and product development</td>
<td>36%</td>
</tr>
<tr>
<td>Real-time marketing</td>
<td>34%</td>
</tr>
<tr>
<td>Social media analysis</td>
<td>33%</td>
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<tr>
<td>Mobile brand marketing</td>
<td>29%</td>
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<tr>
<td>Better use of touchpoints</td>
<td>25%</td>
</tr>
<tr>
<td>Insights and data analysis</td>
<td>24%</td>
</tr>
<tr>
<td>Agency partnerships</td>
<td>20%</td>
</tr>
<tr>
<td>Programmatic</td>
<td>17%</td>
</tr>
</tbody>
</table>

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Fig.1

**Top priorities for marketing departments**

1. Customer relationship management
2. Increasing brand awareness
3. Transforming the marketing organisation
4. Deriving value from data to inform decisions
5. Identifying and delivering new sales opportunities
6. Marketing automation and programmatic

Fig.2

**Priority development areas for marketing professionals**
Social media is dominating the customer journey – and marketers are responding

Social is Asia’s fastest growing online activity, for consumers with social networking activity increasing 10 per cent year-on-year and instant messaging (IM) on closed networks growing even faster at 13 per cent. Global players such as Facebook and Instagram, along with local platforms like WeChat, KakaoTalk, and LINE increasingly dominate people’s experience of the internet; indeed for many in Asian markets, social networks and IM platforms are their first and primary experience of the web. As the nature of the internet changes, these platforms are taking on more and more roles within the customer journey. They provide opportunities for building brands but also for completing purchases, delivering customer service and encouraging loyalty (see Fig.3).

Fig.3
What marketing aims is social serving?

- Brand communications: 46%
- Providing customer service: 43%
- Sales channel: 38%
- Amplifying other marketing activity: 37%
- Providing insights to inform product development: 36%
- To mine for customer intelligence: 27%
Marketers are adapting to the multi-dimensional roles that these platforms now play (Fig. 4). This involves building brand awareness through paid social media advertising (used by 38 per cent), using influencer marketing on social media to build consideration (26 per cent), organic social media marketing leveraging existing followers and fans (39 per cent), using social media as a sales channel (38 per cent) and providing customer service, for which social media is now the most frequently used channel. In fact 46 per cent of marketers provide some form of customer service through social.

Social’s growing importance to eCommerce strategies is particularly noticeable. When asked about the channels they use to drive their eCommerce offer specifically, 47 per cent of marketers nominated advertising on social media, more than any other touchpoint.

**Fig. 4**

**Methods used by marketers on social media**

- Social media marketing to followers: 39%  
- Viral content: 31%  
- Paid for advertising on social media sites: 38%  
- Sponsorship of influencers on social media: 26%
RESOLVING SOCIAL SPEND
A PRIORITY FOCUS FOR MARKETERS

Marketers are responding to the rapid rise in social media’s significance by asking where their social marketing spend can best be allocated. They know that consumers are spending an ever-increasing amount of time on social channels, but as the social landscape continues to fragment, they are struggling to understand their options in the same way that they do on traditional media.

Nevertheless, advertising spend is shifting fast in response to changing consumer behaviour, with 38 per cent of marketers surveyed now devoting paid advertising budget to social media platforms compared to only 35 per cent using TV. As marketers explore the role of a growing range of digital touchpoints, this trend is set to grow.

Mobile is another high-priority area for marketers. Indeed, given that online spend on social platforms often delivers engagement via smartphones, mobile’s role as a touchpoint is likely to be greater than spend figures alone suggest. However, the Marketing Monitor results also remind us that many of the region’s consumers are still using feature phones – and that marketing strategy needs to reflect as much. SMS deals sent to mobiles are the second most frequently used media touchpoint across Asia Pacific after Public Relations activity.
Despite their increased focus on digital, many marketers could be missing a trick when it comes to advertising via online video content. Kantar TNS data shows that 87 per cent of connected consumers in Asia Pacific are now watching online video content every week. Given this, the proportion of marketers devoting budgets to online video must surely grow beyond the 18 per cent who currently do so.

% consumers watching online video content every week

- India: 85%
- Thailand: 90%
- Malaysia: 93%
- Singapore: 91%
- Australia: 82%
- New Zealand: 89%
- Japan: 71%
- Korea: 90%
- China: 90%
- Philippines: 92%
- Indonesia: 74%
- APAC average: 87%
- Global average: 86%
MARKETERS SEE SOCIAL MEDIA AS A GO-TO SOURCE OF INSIGHT

The shift of focus and spend towards social media platforms raises vitally important questions for marketers: how can they know if their new media mix is driving the level of brand awareness and engagement that they need? How do they ensure they are reaching the right audiences on the right social platforms? And how can they identify which areas of customer experience they should focus on in order to drive profitable growth and competitive advantage?

In last year’s Marketing Monitor, we reported that a third of marketers were dealing with real-time data on a daily basis – and for 70 per cent of them, existing market research was failing to provide the integrated view of that data they needed. This year, marketers are turning to new sources of insight – but the challenge of generating strategic insight for a multi-touchpoint world remains.

When your audience is spending most of their digital lives on social media, it’s natural to look to those channels as sources of audience insight and understanding. Almost half (46 per cent) of marketers now say that social media monitoring informs their marketing decisions and planning, more than for any other source of insight (see Fig.5). They use it to inform product development (36 per cent) and mine for customer intelligence (27 per cent), but more than anything they use it to assess campaign performance. Social media monitoring is now Asia Pacific’s most frequently used marketing metric, relied on by 40 per cent of marketers, compared to 34 per cent tracking uplifts in sales, 33 per cent monitoring market share, and 32 per cent using brand and ad tracking.

This all raises the question of whether simple social media monitoring is capable of delivering the robust data and insight marketers need to plan strategy and guide campaigns. Despite social’s sudden dominance of metrics and analytics, it is still very much a work in progress as a reliable source of marketing insight. A third of marketers describe social media analytics as one of their priority areas to develop going forward. Social media data has a crucial role to play in strategic planning – but it’s not yet delivering the full picture that marketers need.

Social media really fulfils its potential to provide insights to marketers when it is placed in context. For example, a brand measuring the social conversation that is happening related to their campaign, which empowers them to course correct whilst the campaign is still live.

To extract the insights that matter, brands need to go beyond a basic analysis of social and marry the data with other metrics, for example the drivers of a positive or negative customer experience, or brand equity attributes. By doing this, they can build a much richer picture of why their brands are performing the way that they are.

Social media in isolation does provide an early warning system for issues that may have a longer-term impact on brand performance, but without accessing other sources, this data is limited.

<table>
<thead>
<tr>
<th>Top five metrics informing planning</th>
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</thead>
<tbody>
<tr>
<td>1. Social media monitoring</td>
<td>46%</td>
</tr>
<tr>
<td>2. Market share data</td>
<td>42%</td>
</tr>
<tr>
<td>3. Brand tracking</td>
<td>38%</td>
</tr>
<tr>
<td>4. What the competition is doing</td>
<td>32%</td>
</tr>
<tr>
<td>5. Information from media agencies</td>
<td>27%</td>
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Fig.5
When marketers move beyond a basic analysis of social media data, they are able to build a much richer picture of why brands are performing the way that they are. Such analysis is often the difference between detecting that there’s an issue out there, and knowing exactly what the issue is, why it matters and how it can best be addressed.

The importance of putting social media in context can be seen in the different responses of senior marketers and their more junior colleagues in the Marketing Monitor survey. Whilst 42 per cent of marketing executives focus on social media monitoring to judge campaign performance (almost 10 percentage points more than any other metric), more senior marketing directors spread their attention far more evenly. As many pay attention to digital metrics as focus on social media listening – and similar proportions integrate brand and ad tracking and sales uplifts into their campaign analysis. The more senior the marketer, the greater the demand to put social media engagement in the context of brand and sales objectives, and the more likelihood that they will consider it as part of a holistic assessment of their performance.

Can the real-time advantages of social media listening be integrated with the wider contextual understanding that senior marketers need? Kantar TNS has proved that it can be, by developing models that can use search and social data to accurately predict changes in both brand equity and sales, combining the real-time benefits of social media monitoring with a real understanding of what that data means in terms of marketing objectives.
The struggle to find meaningful measures of brand performance is in part a result of the sheer number of online and offline methods marketers can employ to reach consumers. Across Asia Pacific as a whole, marketers are struggling to get to grips with the complexity of customer journeys, with only one in three (34%) feeling in control of the touchpoints available to them.

The Marketing Monitor results reveal a varied approach to touchpoint management, with 22% of marketers spreading their budget across as many touchpoints as possible, 41% focusing on the ones they know and 37% experimenting with new ones (see Fig.6). Kantar TNS touchpoint research shows that on average, 20% of the touchpoints used by a brand can have up to 80% of the impact. With new touchpoints entering the mix on a regular basis, large numbers of marketers are still seeking to identify the ones that deliver results most consistently.

### Fig. 6

<table>
<thead>
<tr>
<th>Touchpoint Approach</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>I focus on the touchpoints I understand and experiment with upcoming ones</td>
<td>37%</td>
</tr>
<tr>
<td>I know which of my touchpoints work and focus my spend on those</td>
<td>41%</td>
</tr>
<tr>
<td>I spread my budget across as many touchpoints as possible</td>
<td>22%</td>
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</table>

20% of touchpoints can deliver 80% of impact.
Confidence is lowest in those markets with the most advanced media ecosystems, the highest internet penetration and the most complex and evolved digital lives – where the challenge of selecting the right touchpoints is most keenly felt. Less than a third (29%) of marketers in Singapore and Japan feel in control of their touchpoint management, dropping to 28% in Korea and one in four (24%) in New Zealand (see Fig.7).

The greater confidence felt in markets such as Thailand and Malaysia results from the fact that most people in these markets tend to access the web and interact with brands through a far smaller group of social media platforms. This also helps to explain why social media is such an important source of insight for these markets – it often represents a single, manageable stream of data from a single platform. As people’s digital lives become more complex, marketers are likely to face the same challenges in integrating strategy across touchpoints that their peers in Singapore, Korea, and Japan (with their locally driven digital ecosystems) currently do. They will need a more integrated view of brand performance to guide their approach.

It doesn’t help that marketers are struggling to break down the internal siloes that get in the way of developing a single, integrated view of their customers. Fewer than half say that they collaborate with customer service teams, only 33 per cent work with sales, and only 50 per cent are collaborating with the digital department. As a result, it’s difficult to relate the social media data that marketers monitor to their ultimate business objectives.
SUMMARY: NEGOTIATING THE SOCIAL TRANSITION

Marketers in Asia Pacific are negotiating a period of huge transition: in consumer behaviour, in the media landscape and in their own remit. They have responded rapidly and decisively to the growing role of social media in the digital landscape of Asia Pacific – and in their audiences’ lives. However, in doing so, they are at risk of outpacing the sources of insight they need to build coherent strategies.

Social media monitoring is the source of insight that many are turning to, to fill this gap. However senior marketers and those in more mature markets know that simply tracking comments and engagement rates doesn’t give them the complete picture they need, especially given the lack of collaboration with other functions in their organisations. Marketers need a means of putting the data generated by their social media activity in context. The onus is on market research to provide it.
Zoë Lawrence
APAC Director
Digital

Zoë is responsible for the success of Kantar TNS’s suite of digital products across Asia Pacific – leveraging social, mobile and behavioural data to help clients better engage with their connected consumers. Zoë has been with Kantar TNS since 2010, and has held a number of different roles, initially in global marketing and since 2014 in the APAC region. Throughout her time with Kantar TNS, she has been involved in shaping Kantar TNS’s thought leadership around the connected consumer. Prior to Kantar TNS, Zoe established a strong background leading international PR and marketing programmes on a global and regional level to help brands achieve impact with their key target audiences and ultimately, drive sales.

Nitin Nishandar
Regional Managing Director,
Brand & Communication, Asia Pacific

Nitin works on diverse group of clients in finance, automotive, technology and FMCG. He has 20 years’ research industry experience and has been with Kantar TNS for 14 years. He has worked with clients in markets including Egypt, India, Taiwan and Thailand. Now based in Singapore, Nitin travels extensively to have a greater understanding of the consumers in the region. He has published white papers on advertising, media and is often quoted in the press on his views on brands and communications in emerging markets.

Marketing Monitor is based on responses from 2,250 marketing professionals across Asia Pacific. The study was carried out in July 2016. Marketers from across 11 countries were questioned: Singapore, Thailand, India, China, Indonesia, Malaysia, Australia, Philippines, Japan, New Zealand, and South Korea.

Kantar TNS advises clients on specific growth strategies around new market entry, innovation, brand switching and customer strategies, based on long-established expertise and market-leading solutions. With a presence in over 80 countries, Kantar TNS has more conversations with the world’s consumers than anyone else and understands individual human behaviours and attitudes across every cultural, economic and political region of the world. Kantar TNS is part of Kantar, the data investment management division of WPP and one of the world’s largest insight, information and consultancy groups. Please visit www.tnsglobal.com for more information.

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