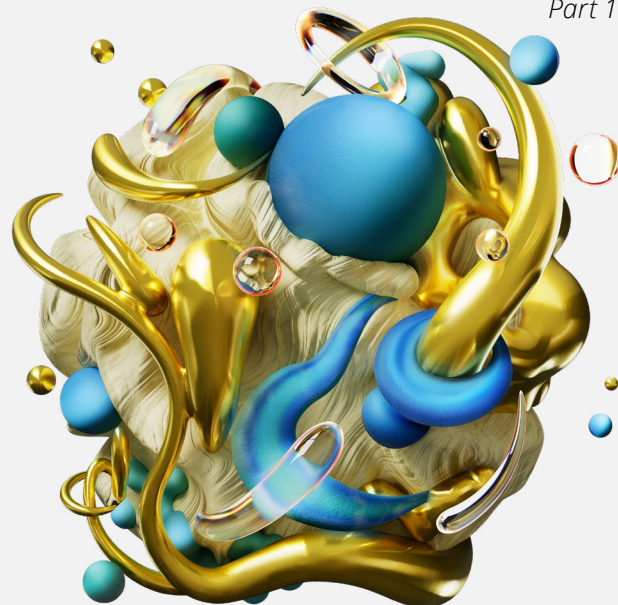


# Social means business. Serious business.

Insights from our latest research on the power of social business transformation.

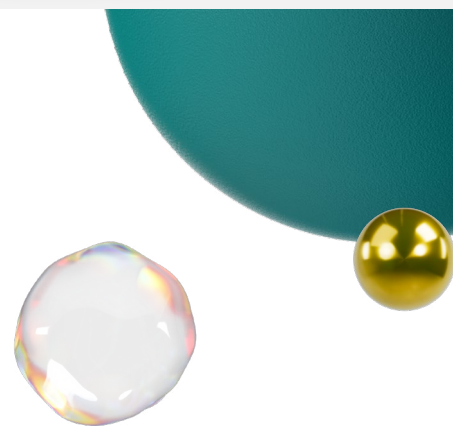
March 2024



Twenty years ago, using social media as a business tool was straightforward. Build a company profile. Post interesting content. Promote your profile with ads. All with the goal of growing *share of voice*. The metrics for engagement were much simpler too: Page views. Follower count. Likes. Comments.

But, 20 years in social media years puts us in an entirely different universe. Today, things are much different. Instead of

simply chasing for a share of voice, the most effective brands are seizing opportunities to drive *share of culture*—because modern culture starts on social and penetrates out. It's not about cutting through the noise. It's about participating in social communities and conversations in ways that humanize and personalize brand engagement, provide value to your audience, and build trust and loyalty.



## **WHAT IS "SHARE OF CULTURE"?**

We all know the importance word of mouth plays in determining brand reputation. But in our digital world, this often takes the form of social content, like unboxing videos, user-generated reviews and memes. These and other forms of social content have a tangible impact on the cultural place and perception of brands—while also providing opportunities to engage with communities around the content they generate.

Creators and social media influencers—trusted sources of content—can play an outsized role by authentically elevating awareness and conversations about brands within their communities. Brands can turn criticism into conversations and prove the brand's humanity, transparency and competency through social listening and proactive engagement.

Share of culture is about connecting and relating within social communities rather than simply marketing to them.

**Access to real-time consumer conversations provides brands with always-on data points, enabling them to make more informed decisions powered by data.**

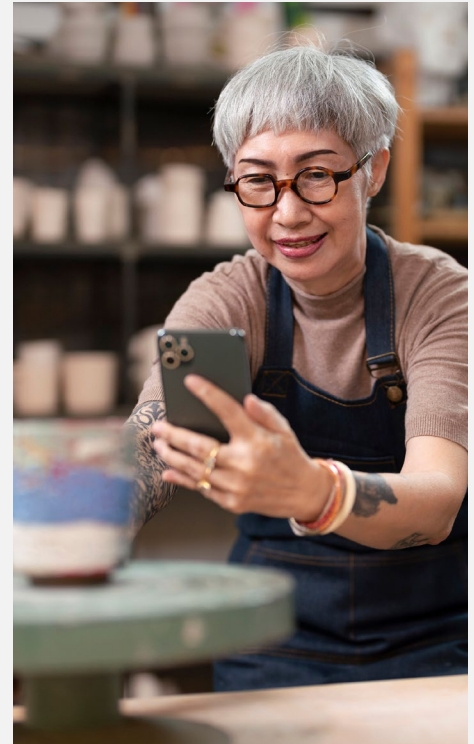
Algorithm changes and an emphasis on consumption behavior now place the right messages in front of the right people at the right time. Influencers and creators have shifted the gravity on social networks and provide highly effective avenues to connect within audiences and earn trust.

So smash that subscribe button because social opportunities for brands now go well beyond marketing alone.

- Thanks to new capabilities for on-platform commerce and in-app customer service, social has made it possible for brands to orchestrate the entire customer journey within social.

- Social listening tools make it possible to improve understanding of markets, competitors and brand reputation, in real time.
- Social has become a powerful tool to identify and recruit talent, *and* to capture insights that drive product and service *innovation*.

With more than 65% of the world's population connected via social, your place and impact in the world is tied to your place in social.<sup>1</sup> Brands must reimagine programs, processes and people around social media.



## **A NEW FOUNDATION FOR GROWTH.**

In this series we explore how social-first brands are driving innovation and growth through a more comprehensive, connected approach to social media.

### **Part 1: Social means business. Serious business.**

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Part 2: Reclaim share of culture through a new approach to social communities.

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Part 3: The power of letting go: Social-first brands prioritize content co-creation.

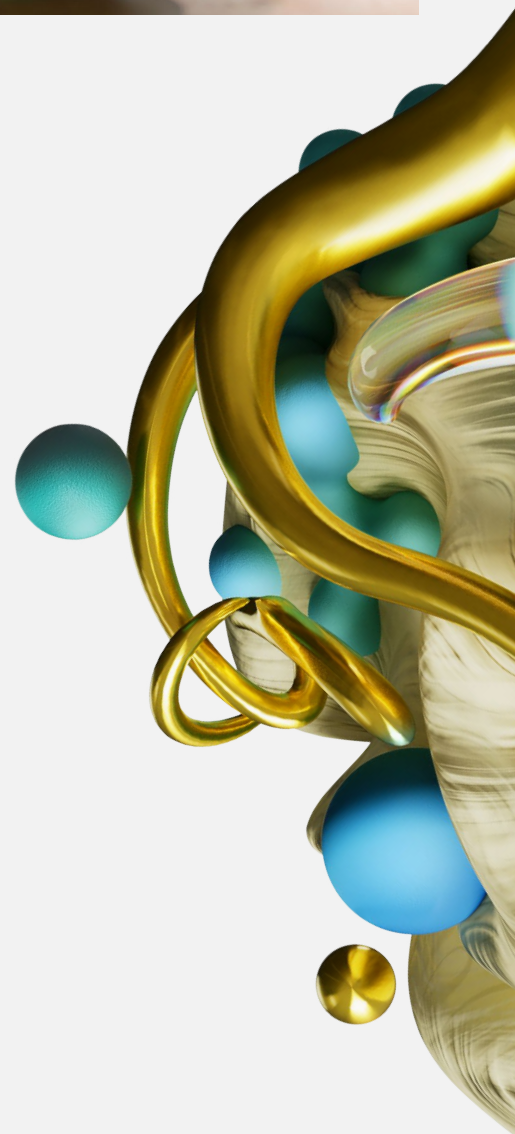
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Part 4: The future of search—and commerce—is social.

### **DOWNLOAD THE FULL SERIES:**

<https://response.deloittedigital.com/stateofsocial>

The insights in this series are based on Deloitte Digital's 2023 B2C survey of marketers and consumers (please see Methodology p. 4), in addition to other research and our client experience.



# Social business transformation goes beyond meme culture.

Social-first brands see meaningful impact. Forward-thinking leaders recognize that social media can help address strategic priorities across the whole C-suite. These leaders are seizing opportunities to develop new service and commerce models. New ways to monitor and address brand risks. New pathways to innovate products and services. New ways to connect in communities and create through long-term partnerships. And new ways to grow revenue.

That's a lot of new. But social-first strategies are here to stay. Those leading brands reported achieving an average year-over-year revenue increase of 10.2% as a direct result of their social strategies. Measured against their own goals, the

top 22% of performers were social-first. Those leading brands reported an average year-over-year revenue increase of 10.2% as a direct result of their social strategies. Compared to brands that didn't prioritize social, they are 8x as likely to have exceeded revenue goals by 25% or more in their B2C lines of business.

These results are a direct result of prioritizing social media across every domain of the business. Compared to low-maturity organizations, leaders at social-first brands are 3.4x as likely to say that their whole C-suite recognizes the value of social media. And they were 3.6x as likely to say that social media is recognized as a major growth catalyst for the brand as a whole.

Social-first brands are infusing social throughout their organizations—from their social listening infrastructure to aligning people and resources in ways that impact the cornerstones of social business transformation.

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***SOCIAL-FIRST BRANDS GREW REVENUE BY 10.2% AS A DIRECT RESULT OF SOCIAL STRATEGIES IN 2022.***

**In the following three installments of this series we will explore how social-first brands are building on these cornerstones in ways that elevate resilience and growth for the entire enterprise.**

## **CONTENT**

Whether preproduced or developed in partnership with creators, consumers seek out, engage and co-create with content that they feel connected to.

## **COMMUNITY**

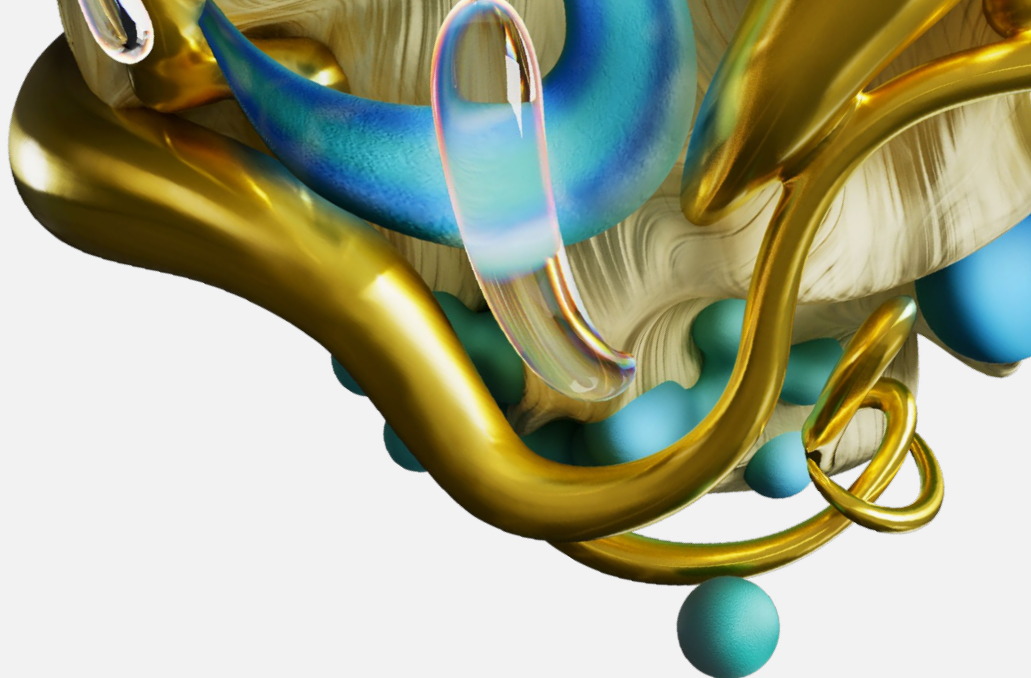
Social media was built on two-way conversation and connection, and is a place where audiences continue to go for camaraderie.



## **CONVERSION**

Social media has collapsed the purchase funnel, creating a fast track to loyalty among consumers.





## **METHODOLOGY**

Original research results in this report are based on a blind survey conducted in May 2023 by Lawless Research on behalf of Deloitte Digital. Respondents included marketing leaders at 450 US business-to-consumer companies across a range of consumer industries and sectors, plus 1,000 US adult consumers. Building on this research Deloitte Digital developed a proprietary maturity framework to define and score social media effectiveness. In this series we refer to the most effective quartile of respondents as “social-first brands” and the least effective quartile as “low-maturity organizations.”

## **ENDNOTES**

1. Ani Petrosyan, “Number of internet and social media users worldwide as of January 2024,” Statista, January 31, 2024, <https://www.statista.com/statistics/617136/digital-population-worldwide/>, accessed February 8, 2024.

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