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Business Growth by using Social Media



The world is your oyster - a mere click or swap away

Starting from young to old, from home-makers to Managing Directors, from local businessmen to business tycoons, access to and awareness of social media is universal. Social media, if used strategically, can lead to immediate, measurable and tangible benefits to corporates, enhancing customer recall on one hand and addressing customer concerns proactively on the other. This in turn, builds a stronger brand and enhances customer loyalty. Today, Social Media cannot be ignored because of its pervasive nature.

Social media comprises internet-based platforms to share ideas, thoughts and information that help build virtual networks and communities. With the involvement of a large section of the masses, social media has emerged as an unparalleled information-sharing platform. This calls for management and monitoring of all information exchange among the users

of social media, especially those pertaining to a company, its brand, products and customers. The effective use of social media ensures that the intended information and messages are shared in a desired format and manner, eliminating possibilities of miscommunication that could potentially affect a company's image adversely. →

Effective deployment of Social Media Management

Companies invest in social media intelligence to gain insights on customer behaviour, socio-economic statistics of customers and prospects that can positively or negatively affect company profitability. A study by Globalwebindex, in 2019 has confirmed that an average of 2.4 hours are spent per day per person in India on social networks and instant messaging. These numbers are growing with every passing day because of the increase in smartphone sales in India. Companies operating especially in the B2C environment cannot ignore the importance of social media. The marketing function of a company may be very keen to ensure that an advertisement or a promotional message reaches largest proportion of its target audience. This may be achieved by advertising on Youtube channels, subscribed to or watched by its target audience. However, it is equally important to ensure that the advertisement should not contain any message, language, tone of the message which can be controversial. The message has to be short and to the point. One has to measure the count of advertisements skipped by the target audience as a percentage of the total count of advertisements on a Youtube channel. Similarly, the reasons for skipping the advertisements, too, should be studied to take corrective actions as soon as possible. Thus, mere visibility on social media can be costly and counter-productive if the target audience rejects the intended message and it is not addressed. →

Challenges and Bottlenecks in Social Media Management

The speed of evolution and dynamism are key features of Social Media. However, it also poses a challenge in keeping pace with rapid changes in usage pattern, preferences of social media users and their expectations. Hence, KPIs are defined to assess effectiveness of customer engagement through Social Media Management. It can be done by carrying out assessment of Social Media Management Maturity. Thus, Investment in Standard Operating Procedures for handling Social Media in terms of content, change in content, communication protocols, specific guidelines on 'what should not to be communicated', training of the staff managing social media and continuous evaluation provides better results to companies. →

Evaluation of effectiveness of Social Media Management

Planning of Social Media Management, Standard Operating Procedures and Guidelines creation, Training and empowerment of staff in Social Media Management (both in-house and outsourced), Key Performance Area definition and measurement of the same, can help an organisation to use Social Media Management as an well-oiled machine for reaching customers and prospects and effectively communicating intended messages. An independent review helps in objectively assessing these areas without losing sight of the overall objective of Social Media Management. Benchmarking with peer industry or leading companies also gives a different perspective and leads to creating an action plan for continuous improvement. An Independent Internal Auditor can play a significantly important role in helping corporates to achieve the same. →

Conclusion

Nothing comes easy - for everything has a certain amount of risk attached. A car is dangerous, and hence seatbelt is required for safety. For a company that does not manage its social media well, such use can be counter-productive. Auditing Social Media, Planning of Social Media Management, Standard Operating Procedures and Guidelines creation, Training and empowerment of staff in Social Media Management (both in-house and outsourced), Key Performance Area definition and measurement of the same as well as Social Media Management Benchmarking, pays rich dividend to the corporates. In turn, it improves the competitiveness of the company and provides an edge over competition by positively gaining higher customer recall and greater 'Mind Space' of the customers and prospects.

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Social media comprises internet-based platforms to share ideas, thoughts and information that help build virtual networks and communities. With the involvement of a large section of the masses, social media has emerged as an unparalleled information-sharing platform. This calls for management and monitoring of all information exchange among the users of social media, especially those pertaining to a company, its brand, products and customers. The effective use of social media ensures that the intended information and messages are shared in a desired format and manner, eliminating possibilities of mis-communication that could potentially affect a company's image adversely.

There are various social media platforms that are widely used today, each with its own target audience. Over the years, a shift has been witnessed from conventional forms of marketing comprising Print, Television and Out-Of-Home to digital marketing through the social media platforms. There are 326 million users of social media in India, with a forecast of the total users growing to more than 400 million by 2021. Leading organisations including NGOs are keen to track current trends in their respective target customer behaviour, the impact of such trends on the organisation's plans as well as in identifying new opportunities. This is achieved by the use of social media and big data (data analytics). Leading organisations create effective social media strategies and use such social media platforms for their marketing efforts and corporate communication needs. Effective implementation and use of social media can be measured by a Social Media Audit. Responsiveness to customers, technical infrastructure and the depth & quality of social media management play an important role in effectiveness of social media. Thus, such attributes remain the focus areas of Social Media Audit.

1. Effective deployment of Social Media Management

Companies invest in social media intelligence to gain insights on customer behaviour, socio-economic statistics of customers and prospects that can positively or negatively affect company profitability. A study by Globalwebindex, in 2019 has confirmed that an average of 2.4 hours are spent per day per person in India on social networks and instant messaging. These numbers are growing with every passing day because of the increase in smartphone sales in India. Companies operating especially in the B2C environment cannot ignore the importance of social media. The marketing function of a company may be very keen to ensure that an advertisement or a promotional message reaches largest proportion of its target audience. This may be achieved by advertising on Youtube channels, subscribed to or watched by its target audience. However, it is equally important to ensure that the advertisement should not contain any message, language, tone of the message which can be controversial. The message has to be short and to the point. One has to measure the count of advertisements skipped by the target audience as a percentage of the total count of advertisements on a Youtube channel. Similarly, the reasons for skipping the advertisements, too, should be studied to take corrective actions as soon as possible. Thus, mere visibility on social media can be costly and counter-productive if the target audience rejects the intended message and it is not addressed.

A. Building Brand Recognition and Loyalty

The marketing function of any organisation aims at building a brand and customer loyalty toward the brand. Brands are built on the perceived value delivered by the company consistently over a period of time. If there is a gap between perception and reality, then the brand equity diminishes. Thus, organisations have to constantly monitor customer needs and perceptions. This may differ from segment to segment. Goods and services wherein customers or prospective customers are not price sensitive and are willing to pay a premium for superior quality expect much more from the brand in terms of affiliation and the overall thought process. One has to tread with caution and be sensitive to all groups of people. There is a fine line between humour and sounding demeaning. A wrong message or otherwise a correct message but presented in an inappropriate manner demeaning a race, religion, a place, can adversely affect the customers perception. Leading companies systemically ensure that their content in advertisements do not cause them embarrassment and customer ire.

B. Positioning the Products and Services

‘Birds of same feather, flock together’. In other words, corporates can access this incremental prospect through the connection of customer and prospects. Rewarding customers who affiliate and promote the brand with their connections is a proven tactic to widen the customer base at a fractional cost. For example, Starbucks effectively used Instagram to promote their Unicorn Frappuccino. Consequently, its global same-store sales and same-store sales in the Americas increased by 3% in a quarter. The Unicorn Frappuccino and its hashtag and unicornfrappuccino generated nearly 1,55,000 posts and directed huge amounts of foot traffic to the physical stores.

C. Cost effective marketing and promotions

Unlike other forms of marketing, almost all social media platforms are freely accessible. Marketing and advertising activities such as offering the promo codes, new launches, discount offers, gift cards can have a better reach if marketed through social media. Hence, choice of media by considering target customers or prospects pays hefty dividends. E.g. Zomato established brand presence in the market solely targeting

the Instagram audience, 52% of the total content of Zomato was on Instagram itself followed by Twitter (47%) and Facebook (1%). They have done it through regular picture (51%) and video (31%) format of posts.

D. Two-way engagement

Social media allows near real-time two-way interaction with the customers. Hence, companies use it as a medium to resolve customer queries and complaints. An immediate response on Twitter to any customer who has a customer complaint consistently over a period of time, builds a confidence about service quality. Similarly, delayed, inappropriate or no responses, negatively impacts the image of the company. E.g. A customer enquired at HuHot, a popular Mongolian grill chain restaurant about an issue requiring resolution in a timebound manner. HuHot, responded immediately. This was appreciated by customers and started trending, in turn, giving positive visibility and winning new customers without any incremental investment in marketing effort.

E. Tracking competitor's moves

Knowing competition and responding to the competitive challenges is an imperative for sustaining the business. Leading companies use Social Media by using trained staff to monitor social media presence, messages of competition trending in social media for devising appropriate responses which can be used through social media channels. Monitoring competitors through social media helps an organisation to understand competitor strategies, latest innovations, current focus, target segments, upcoming products and services and corresponding customer responses. E.g., a group of 800 supermarkets using geographic targeting, was able to identify competitor strategies in different regions, ranging from large metropolitan cities such as Paris to rural areas which entailed geography specific responses targeting a wider segment of customers.

2. Challenges and Bottlenecks in Social Media Management

The speed of evolution and dynamism are key features of Social Media. However, it also poses a challenge in keeping pace with rapid changes in usage pattern, preferences of social media users and their expectations. Hence, KPIs are defined to assess effectiveness of customer engagement through Social Media Management. It can be done by carrying out assessment of Social Media Management Maturity. Thus, Investment in Standard Operating Procedures for handling Social Media in terms of content, change in content, communication protocols, specific guidelines on 'what should not to be communicated', training of the staff managing social media and continuous evaluation provides better results to companies

Some of the challenges faced in Social Media Management are as follows:

A. Digital Content leaves trail

Digital content about a brand, a product or an experience creates an impact on brand perception for current customers and prospects. Unpleasant experiences trend fast on social media. They not only destroy a company's reputation within a short span of time but also leave a digital trail, which can be used in litigation and remain visible for a long time on social media. Thus, it is imperative to be careful about what is communicated through the digital content.

B. Not knowing the followers

For an effective social media marketing it is necessary to know who the followers are? Companies study the behavioural pattern, regional and communal influences. Once an organisation knows their followers it targets customised content at the target customers. E.g., As of July 2019, Swiggy had only 1,39,000 followers on Instagram, 80,000 on Facebook and 79,800 on Twitter. However, with better understanding of their customer behaviour Swiggy adopted a strategy of campaigns where they conveyed the notion of healthy eating in a humorous way by using puns and witty one-liners. This has resulted into an increase of both their customer base and sales

C. Poor Management of Social Media Forums

Companies have to engage the customers who follow them on social media. This is required to primarily ensure their participation on social media. This calls for a target focused Strategy., e.g., As per the study conducted by HubSpot, visual content is 40 times more likely to get shared on social media than other types of content. With different social media platforms available in the market it becomes a challenge for the companies to have a presence on all of them. Instagram and facebook helps in reaching to younger generations of age group of 14 to 30 whereas for marketing professional services LinkedIn can be a better option.

D. Is the Social Media Strategy dynamic?

Each social media platform has its own reach, target audience, objective, parameters. Hence, the corresponding Social Media Strategy should be dynamic in nature. E.g., Considering the scenario of COVID-19, companies reached out to celebrities for marketing their products and services. Many celebrities were actively involved in selling the gym equipment around the world through sharing creative workouts with the use of equipment on social media

E. Is it measurable?

Measuring the performance through key performance indicators (KPI's) is also an important aspect to understand the effectiveness of the various social media platforms. Certain social media KPIs which need to be analysed are number of followers, impressions generated, influencers, clicks, shares, comments and likes, revenue conversion into direct or indirect sales. This helps in understanding the trigger aspect in the marketing effort and provides an insight on future strategy.

F. Growing Audiences and Customer Recall

A challenge every brand faces is maintaining and growing an audience. Companies should focus on providing valuable, engaging content that entices the people to remain associated with the social media used by the brand or the company. Bring back the customers who have unfollowed by studying the reasons for the same, is equally important. A formal mechanism to track these aspects and offering goodies, discounts, loyalty points helps in maintaining the audience.

Key aspects overlooked in Social media management

A. Mission

A mission statement is a must to reap the benefits of social media. Driving a platform without underlining the desired goals is like aimless shooting.. The mission statements are generally, social media specific. For example, a company might be using the Twitter account for customer services and an Instagram account with an objective to drive follower engagement. Thus, mission statement is customised for each of these Social Media platforms.

B. Social Media Policy and Strategy

The mission should lead to social media strategy aligned with the overall business strategy. Similarly, policies with respect to the content creation, screening, approval and publishing on an appropriate social media, preservation of content for legal and regulatory purposes, guidelines over response on ideas or objectionable content on company-promoted site, protocols to be considered while dealing with the customer are some of the areas which are often overlooked posing a reputational risk to the company. It is also important to have Quick Response Team (QRT) to manage a situation where the content is disliked by the customers or there is a complaint against it. This may be managed through an in-house team or an outsourced Public Relations Team.

C. Putting the bars in the right hands

Followers on social media expect an appropriate and timely grievance management and handling feedback. Involvement of larger number of followers and numerous messages requires categorisation of messages into positive feedback, negative feedback, feedback requiring immediate actions and feedback requiring immediate response. Automation can be used to great extent to achieve this. Similarly, a mechanism similar to 'customer retention' through offering immediate solutions in the form of waiver of charges, free goodies, gifts, etc. should be institutionalised with appropriate checks and balances. Training of social media management team in responsiveness and problem solving can be the key differentiator and competitive advantage for the company

D. Adequate Investment in Social Media management

As per a study of Cybermarketing in 2018, 71% of the followers who experienced good social media services are likely to recommend the company's product and services to others. These results can be obtained by maintaining unhindered social media presence. Social Media Management requires investments in the social media infrastructure like in-house staff, outsourced social media agencies, learning and development cost of frontline executives and IT infrastructure commensurate with the operations.

Social Media Management Maturity

The challenges mentioned earlier can be addressed by understanding 'where the company stands in terms of social media management maturity' and planning to achieve a higher maturity of Social Media Management., The stages in Social Media Management Maturity can be summarised as follows:

A. Developing Social Media Management

This is the stage where acceptance, benefits, reach, impacts on the business through social media is doubtful. Basic social media metrics are on company's radar, but connecting the dots between strategy, implementation and ROI is not achieved.

B. Experimental approach

At this stage benefits and impact of social media marketing has been derived as well as potential impact could also be forecasted by the managers and visibility on approach is developed.

C. Active existence

This is the stage where companies aim at communicating the ideas, products, brand mission with the audience, a sense of seriousness in the marketing strategy comes into existence.

D. Strategically aware

Company invests in commitment for further improving its existence on social media through budget planning, policies, defined strategies, quality manpower and established customer care portals.

E. Market leaders

At this stage company is now at ease with the social media platform and presence to implement the new campaign and plans for achieving the goal. Here, the KPIs will be key to understand the effectiveness of the existing marketing strategy and hidden improvement opportunities.

3. Evaluation of effectiveness of Social Media Management

Planning of Social Media Management, Standard Operating Procedures and Guidelines creation, Training and empowerment of staff in Social Media Management (both in-house and outsourced), Key Performance Area definition and measurement of the same, can help an organisation to use Social Media Management as an well-oiled machine for reaching customers and prospects and effectively communicating intended messages. An independent review helps in objectively assessing these areas without losing sight of the overall objective of Social Media Management. Benchmarking with peer industry or leading companies also gives a different perspective and leads to creating an action plan for continuous improvement. An Independent Internal Auditor can play a significantly important role in helping corporates to achieve the same.

A. SOP's and Best practices in the market

SOPs for management of social media are created as a reference for social media management. Due to the experience of reviewing social media management across multiple companies and industries, an auditor can evaluate best industry practices vis-à-vis practices adopted by the company. This leads to gap analysis and an action plan to bridge the same

B. Reputation Risk and Branding

An auditor can study the monitoring mechanism to track increase or decrease in the followers per social media, likes, dislikes, customer feedback, complaints, their correlation with increase or decrease in sales, An auditor can also identify the process gaps in Social Media Management, missing checks and balances which can prevent or detect reputation risk. He can also recommend activities that can be included to measure enhancement of overall branding.

C. Turn Around Time (TAT) and customer complaint resolution

An independent study of responsiveness in Social Media Management can be done through TAT Review. An auditor can study the current policies for resolving consumer queries received through social media platforms like on websites, official face book page, twitter accounts, Instagram accounts. This includes definition of the TAT for resolving the complaints and queries posted by the consumers, satisfaction, grievances redressals, promptness of closure of complaints. This could be followed by study of TAT achievement and reasons of not achieving the optimum results. Lithium conducted a study in 2018 - 78% of people who complain to a brand via Twitter and found that they expect a response within an hour. Thus, delay beyond expected TAT, can impact customer.

D. Evaluation of Social media profile

Social Media profiling helps in identifying the social media which provides the desired result and also helps identify the reasons for non-achievement of the same. For e.g. when a post is made on the Instagram, does it also automatically cross-post to Facebook and Twitter? Similarly, when a company tweets, does it also post to Facebook? Whether all the Bio's and URL's are active and consistent across the platforms. Bellycard has a different URL on different platforms.

E. Benchmarking of Company's profile

An internal auditor can assist the company in not only assessing the company's social media platform but also evaluating what other platforms competitors are operating. This study also includes competitor's customer engagement on their platforms, visibility of ideas and products on their platforms, evaluating new content and whether it calls for review of content on company's profile.

F. Privacy and Security Settings

- Data Protection Acts - Companies are required to abide by laws pertaining to customer privacy and data security. This is most important when a company has to deal with outsourced agencies who may have access to customer information. The General Data Protection Regulation (EU) 2016/679 (GDPR) is a regulation in EU law on data protection and privacy in the European Union (EU) and the European Economic Area (EEA). It also addresses the transfer of personal data outside the EU and EEA areas. On similar lines, Personal Data Protection Bill, 2019 covers mechanisms for protection of personal data and proposes the setting up of a Data Protection Authority of India for the same
- Penalty for breach of data privacy - The FTC had been probing allegations against political consultancy firm Cambridge Analytica who improperly obtained data of up to 87 million Facebook users. Consequently, Facebook had agreed to pay a record \$5bn fine to settle privacy concerns.
- Cyber-attacks - Social media platform attacks target websites with large user bases, such as Facebook, LinkedIn, Twitter, and Instagram. This calls for robust mechanism for preventive and detective controls.

An Auditor can not only assess the effectiveness of privacy and data security management on social media but also objectively assess compliance with applicable Data Protection Acts.