



The Social Executive:

How to influence trust,
transparency, and the bottom line

Executive summary



Global public trust

in top executives at an all-time low, just

37%

<10%



of executive leaders in Asia Pacific are **active on social media**

Corporate impacts of executive social media engagement include higher **brand recognition**, higher levels of **employee engagement** and **performance**, and **increases in public trust.**

Companies with leaders active on social media are

perceived

23%

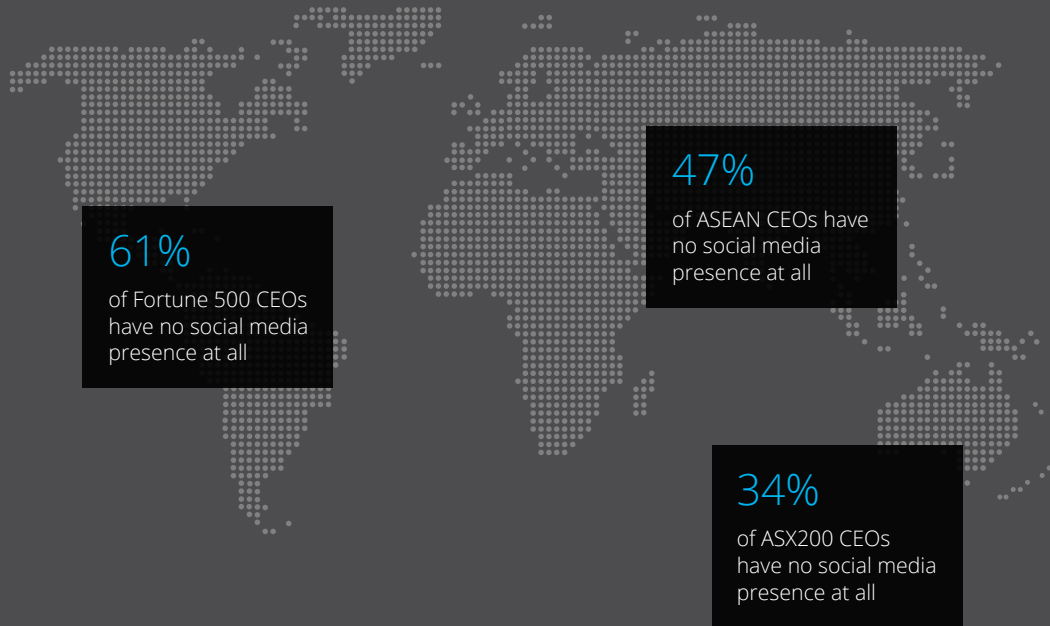
more positively

than companies with inactive leaders

For today's executives, opportunity no longer knocks....

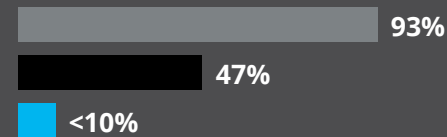
It tweets, snaps, likes, and shares.

The Social Executive: By The Numbers

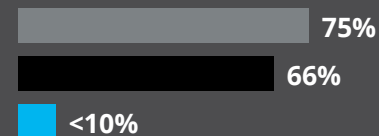


Social media is increasingly viewed as a direct reflection of a company's values and credibility. Research definitively shows social engagement positively influences authenticity, approachability, and transparency, which in turn leads to public trust and satisfaction, particularly when executives are actively involved.¹ Overall, however, the public's trust in executives is plummeting. Yet, 61 per cent of the top executives across the world still have no social media presence at all.² And that absence of social media savvy is dramatically higher in Asia Pacific regions.

Asia



Australia & New Zealand



- Companies with a social media presence
- CEOs with a social media presence
- CEOs who are active on social media

In Australia and New Zealand, for example, 75 per cent of companies have a social media presence, but less than 10 per cent of those companies' leaders are active on social.³

In Asia, 93 per cent of companies have a social media presence, but again less than 10 per cent of leaders are active on social.⁴

Recently, however, there's been a 10 per cent increase in the public's trust of information created and shared by company CEOs on social media.⁵ And all indications are, that number is on the rise. Still, most leaders are slow to spot the opportunities.

Imagine any influential corporate executive, particularly a CEO or CMO, ignoring TV or newspapers pre-internet? Social media continues rapidly eating into the market share of traditional media outlets.⁶ And unlike one-way channels such as television, newspapers, magazines, and websites, social media platforms let leaders share information with the public, but also solicit feedback and listen to needs, concerns, and ideas.⁷ Yet, even with nearly every globally relevant business now acknowledging social media as the voice of the internet, the bulk of CEOs are still sitting on the sidelines.

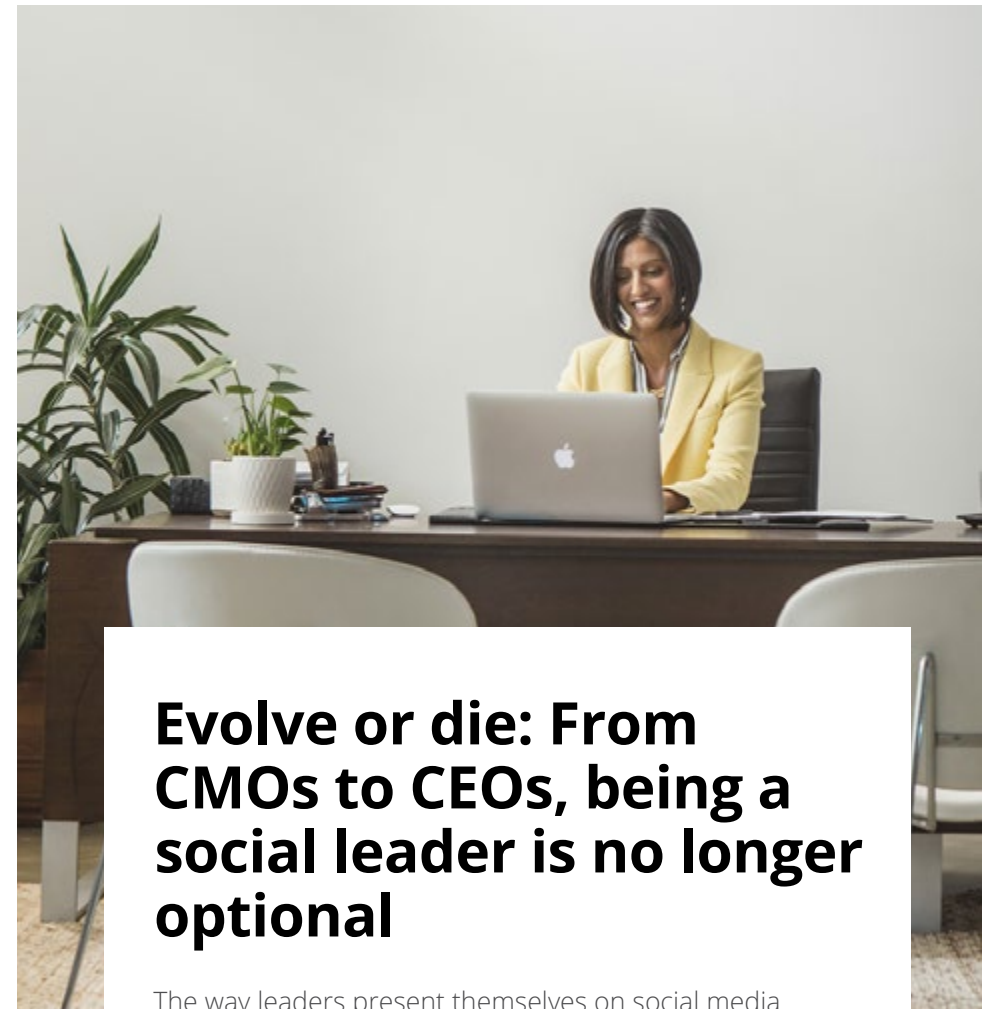
Credibility among top execs has slipped to just 37 per cent⁸ globally, the lowest it has ever been. While public trust is slightly higher in and around Asia Pacific, it's much lower than it should be (Australia 40%, Hong Kong 42%, Malaysia 47%, Singapore 59%).⁹

This shrinking credibility is definitely cause for concern for executives, especially those in charge of marketing, communications, and public relations. However, the lack of social media initiative among top executives means more potential gains for those smart enough to see the advantages in the space.



“Social media provides me with an opportunity to dip into the minds of my customers. Not only do I learn from the views and experiences of multiple communities, I also get feedback on my brands, categories and industry. Further, employees who are active on social media are a powerful voice for the brand.”

- Sanjay Behl, CEO, Raymond Limited



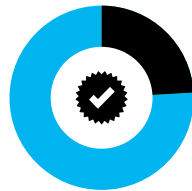
Evolve or die: From CMOs to CEOs, being a social leader is no longer optional

The way leaders present themselves on social media affects the public's relationship with organisations. In particular, when the public is actively engaged with executives on social platforms, they're more attentive and receptive to messages conveyed personally as well as about products, brands, and the organisations.¹⁰ Eighty per cent of Asia Pacific executives believe it's a good idea for CEOs to utilise social media and would like to see their CEOs participate more frequently.¹¹

Nearly 86 percent of execs in APAC also believe having a social CEO is positive for a company's reputation and 76 per cent believe it enhances credibility in the market.¹² Most important, the vast majority say a social leader has a positive impact on business results.¹³ Yet, leaders in APAC lag even further behind on social media activity compared to their global counterparts.



86%
of execs in APAC believe having a social CEO is positive for a company's reputation



76%
of execs in APAC believe having a social CEO enhances credibility in the market



"I embraced social media, not because it was comfortable, but because that's where people are communicating. It's about providing opportunities for people to meet our business, and there's an authenticity and immediacy to social media that's compelling. You have to understand your audience and be precise with your messages."

- Alex Malley, CPA Australia, CEO

Barriers for executive-level participation

Nearly 70 per cent of executives still believe it's risky to participate on social media.¹⁴ Barriers typically include:



Time requirements and belief that executives should focus on more important priorities.



Fear arising from inexperience or lack of expertise.



Uncertainty caused by people who have caused significant risk to their organisation by misusing social (either on purpose or inadvertently).



Not enough content ideas to maintain a social media profile.



Lack of understanding on how to measure return on investment.

All of these concerns are being met and hurdled by ever-growing opportunities for executives that bring effective social media leadership and strategy to the organisation. A big part of taking advantage of those opportunities includes having the infrastructure and expertise to support smart social strategy.

In particular, CMOs and the departments they lead need to operate as the organisation's central social media nervous system, communicating strategy and messaging so that it is fully understood and supported by the CEO and other members of the executive.¹⁵ And marketing and communications leaders need to ensure that the direction they set is properly staffed, budgeted and managed. That includes offering a fully supported plan for social engagement by other members of the executive, including the CEO.

And the rewards for that investment are proving worthwhile for those already active on social media. The more appropriate question then, is what about the risks of executives not utilising social media?



"It's my job to drive change and to show the AGL community what the future in energy looks like. Using social media allows me to do that directly, and provides an interested community with information which they may in turn use in their own online communities—creating exactly the kind of customer advocacy we're aiming for."

- Andrew Vessey, CEO, AGL



"Clients and business are being increasingly disrupted and we are all looking for new ideas and ways to address the business challenges we face. It's a digital world and we are all connected so why not take advantage of it."

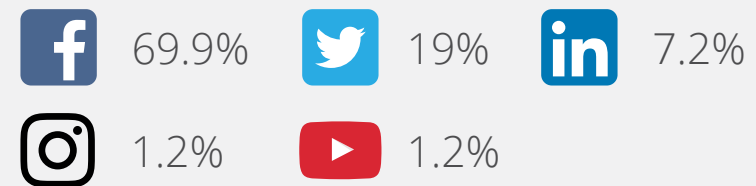
- Cindy Hook, CEO, Deloitte Australia

Traditional media is in a steady rate of decline globally, while online interactions continue to dramatically rise across every market and demographic.

With more than 2 billion people on social media today, companies and executives, particularly marketing executives, that don't acknowledge this sea change stand to see their customer bases, and credibility, erode.¹⁶

As with every useful business technology, however, smart strategy and proper management mitigates the risks.

Public most likely to follow CEOs on:¹⁷



Social media C-suite spots: Authentic, approachable, transparent

Right now social media is genuinely connecting businesses with customers, employees, communities regionally and globally. It's helping inspire workforces, attract new customers, and build trust and loyalty for the innovators.

With waning trust among the public, and only a few premium players active in key social channels, the authenticity, approachability and transparency offered by effective social strategy is there for the executive taking. Here are some of the benefits of getting it right.



“What is most important about an organisation is not what it does, but how it thinks. In order to communicate the ideas and beliefs that drive us, and to invite conversations around the same, meaningful presence on social media becomes absolutely vital. The value it has created is both tangible, in terms of greater interest in the service we offer, and intangible, by way of the kind of engaged conversations we have sparked off through our social media provocations.”

- Santosh Desai, Futurebrands, MD & CEO



Brand, perception, and the value of social leadership

The bulk of most brands' value is tied directly back to reputation.¹⁸ And corporate reputation is increasingly dependent on social media. Three out of four consumers say a CEO's presence on social makes a brand more trustworthy, and companies with CEOs active on social media are perceived 23 per cent more positively than companies with inactive CEOs.¹⁹

That power to influence perception was on full display during the 2014 AirAsia crash, where social media played a big part in advancing AirAsia, and the public, through extremely difficult times.

During that tragic event, CEO Tony Fernandes fearlessly informed the public early and often with social media updates, offering transparency and honesty throughout. And that authenticity and leadership, even in one of the company's darkest hours, won him and the AirAsia team, great public praise.

For Fernandes, his reaction was simply an extension of his very personal and innovative strategic use of social media for the AirAsia brand.



“The elephant in the room for a lot of leaders is, ‘What happens if I make a mistake?’” says Ryan Holmes, Hootsuite CEO. “There is no safety net, which is both the power... and the peril. We all make mistakes, but what sets true leaders apart is the ability to own them.”

- Ryan Holmes, CEO, Hootsuite

Companies with leaders active on social media are **perceived**


23% 

more positively than companies with inactive leaders

Now you see me: Customer connections

People average more than 2 hours per day on social networks—34 minutes more than was being spent back in 2012.²⁰ All indications are this is on the rise. The way to enter into public discourse, and consumer consciousness, is increasingly through widening this digital door.

More than 50 per cent of social media users follow brands.²¹ Social media is a clear and direct line to current customers and prospects, in every region. Having the CEO, for example, on the virtual frontlines, well prepared but transparent, supported but leading, social media offers advantages across the organisation, helping build trust and loyalty.

 **3 out of 4**
consumers say a CEO's presence on social makes a brand more trustworthy



“It’s about the need to be where my customers are. It’s also not about selling RedBalloon experiences, but more my role as an advocate on behalf of business owners. Social media is a listening tool and a means for me to engage in a real way with my customers and offer whatever support I can to assist them on their own journeys.”

- Naomi Simpson, Founding Director, RedBalloon

Tell it, don't sell it: Leveraging the social workforce

Inside organisations, the same authentic, approachable, transparent social media strategy is also important to the bottom line. In fact, 73 per cent of executives search to see what their CEOs are saying on social media.²²

And content shared by employees at every level of the organisation gets eight times more engagement than corporate content and is re-shared 25 times more frequently. As to converting those interactions into real business results? Employee social media activities convert seven times more frequently than other leads.²³

A social executive further enables employees, inspires them to tell the company story, not just sell it. And to be and feel part of it. Plus, when it comes to employee motivation, confidence in the future of the company, employee referrals and retention, socially savvy executives factor big, increasing employee advocacy by an average of 22 per cent.

73% 

of executives search to see
**what their CEOs are
saying on social media**

Content shared by employees
leads to:

8x 
more engagement

25x 
more re-shares

Employee social
media activities **7x** 
convert
more frequently than other leads



"We've encouraged employees to explore how online discourse through social media can empower them as global professionals, innovators and citizens. Through these interactions, IBM's greatest asset—the expertise of its employees—can be shared with clients, shareholders, and the communities in which we operate."

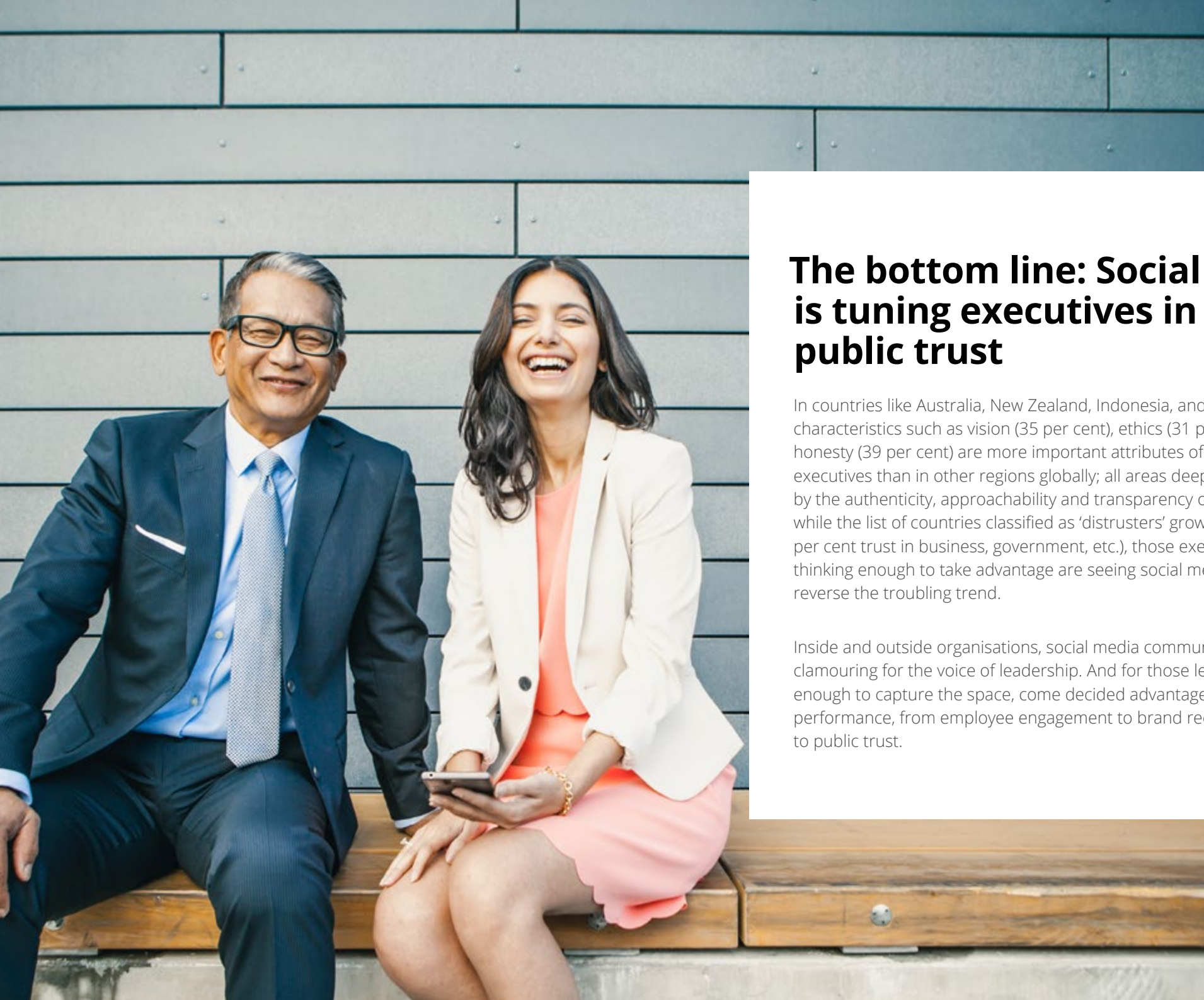
- Nishan Weerasinghe, CMO, IBM

Transformer: Delegate the tasks, own the strategy

Executives need to know the objectives of digital strategy inside and out; 42% of CEOs say "digital first" or "digital to the core" is now their company digital business posture. When it comes to the growth of social, leaders need to own the strategy and let the people and technology do its job. Having a qualified team makes life much easier.

Customers, employees and investors now expect direct and immediate connection and access to top executives, especially during key periods.

Leadership that has trusted, capable communications counsel from their marketing leaders is much better armed and ready to deploy the strategic use of social media, whether it is during a crisis, a key campaign, or for overall brand awareness.



The bottom line: Social media is tuning executives in to public trust

In countries like Australia, New Zealand, Indonesia, and Malaysia, characteristics such as vision (35 per cent), ethics (31 per cent) and honesty (39 per cent) are more important attributes of trustworthy top executives than in other regions globally; all areas deeply influenced by the authenticity, approachability and transparency of social. And while the list of countries classified as 'distrusters' grows (less than 50 per cent trust in business, government, etc.), those executives forward thinking enough to take advantage are seeing social media help reverse the troubling trend.

Inside and outside organisations, social media communities are clamouring for the voice of leadership. And for those leaders smart enough to capture the space, come decided advantages for corporate performance, from employee engagement to brand recognition, sales to public trust.

What APAC social executives are saying



Matt Barrie
CEO, Freelancer.com

"Publishing essays on LinkedIn and commentary on Twitter has far greater reach than traditional media. One of my essays had 1 million reads in two days, you just wouldn't get the reach or cut through from traditional media."



Paul Perreault
CEO, CSL

"On social media, I can connect directly with patients, healthcare professionals, partners, potential employees and other stakeholders who are interested in collaborating with us around the world. I expect my social engagement to continue growing as CSL develops and delivers new life-saving medicines and expands into new geographies."



Leigh Jasper
CEO, Aconex

"Social media is an important channel for us to build connections with customers, buyers and influencers in the rapidly digitising, global construction industry. It's also equally important for employee engagement. Our employees can share ideas, transfer knowledge and voice their opinions in an open forum. This helps us keep moving fast and innovating to continue strengthening our market leadership."



Tim Reed
CEO, MYOB

"At MYOB, we're deeply invested in showcasing the amazing work being done by the passionate and talented people who work to make our products and services great. A huge part of this is about empowering our employees to get out there and tell the MYOB story via social. I'm no exception and see social media as an important channel to engage and advocate for small business in Australia."

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