

The Evolution of **Social Media**

Bite Sized Thought Piece

2013

SOCIAL MEDIA GROWS UP

Social Media is becoming big business across the globe, with recent predictions indicating that marketing spend on Social Media is set to double in the next five years (The CMO Survey, 2013). With around half of the GB population having ever visited a social networking site (Ipsos MediaCT Tech Tracker Q1 2013), CEOs of businesses are paying increasing attention to Social Media, both in terms of the opportunities that exist for them to promote their company in the best possible light, and in monitoring their earned media – what people are saying about them online. They are becoming more aware of the fact that within the millions of conversations, likes, re-tweets and views,

lies an incredibly valuable marketing tool that they simply cannot afford to ignore.

A SERIOUS BUSINESS

Social Media is a more serious business now, with brands well and truly tuned in to the opportunities that exist for them in an environment where their audiences feel comfortable. In the past there was an argument that those brands who shouted the loudest would be the most successful, but now they are learning to listen as well. Brands want to be part of the conversation with consumers and have grown to appreciate that what people say about them on social spaces is potentially rewarding, or damaging.





Not only has Social Media changed the way that brands engage with audiences, they have also changed the way they advertise. Native advertising, where communications are placed in the context of a Social Media site, for example a sponsored story on Facebook or promoted tweet on Twitter, is on the rise and is already visible on social networks. Ensuring that these are seen as non-intrusive and offering some value in the form of information or offers that are relevant to the audience is key.

PROFILING SOCIAL MEDIA USERS

Context is therefore crucial in Social Media communication. However, we know that not all social networks are the same. Users access social networks for different purposes, resulting in varied context for communication. As well as very different usage levels, each social network also serves an independent purpose and the demographic make-up of each is therefore quite varied. As more and more companies look out for what people are saying about them on social sites and investigate how they can advertise most effectively on them, the knowledge of why users are there and who they are will be crucial.

The demographic differences between social sites, highlighted by the Ipsos MediaCT Tech Tracker, illustrates the nuances of each social network that businesses need to be aware of if they are to use them effectively as marketing tools. It shows for example that 40% of Twitter users are aged 15-24, whereas 45% of LinkedIn's users are over 45, and two thirds of them are male. Looking at the Business Elite survey – a Global survey of senior business executives – we also see high usage among more niche groups such as this. In the last month 43% have accessed LinkedIn and 23% Twitter.

THE IMPACT OF SMARTPHONES

One of the key reasons for the growth in the amount of data that exists within social sites is the growth of the smartphone. As more people have acquired one and they have increased in their sophistication, they have now become a transmitter to people's everyday lives through social sites.

Smartphone usage has grown to the point where 53% of the UK adult population now own one (Ipsos MediaCT Tech Tracker Q1 2013). The fact that so many people have a convenient, connected device with them wherever they are is obviously good news for social sites. With 51% of smartphone owners visiting a social network, it is one of the top activities on a smartphone.

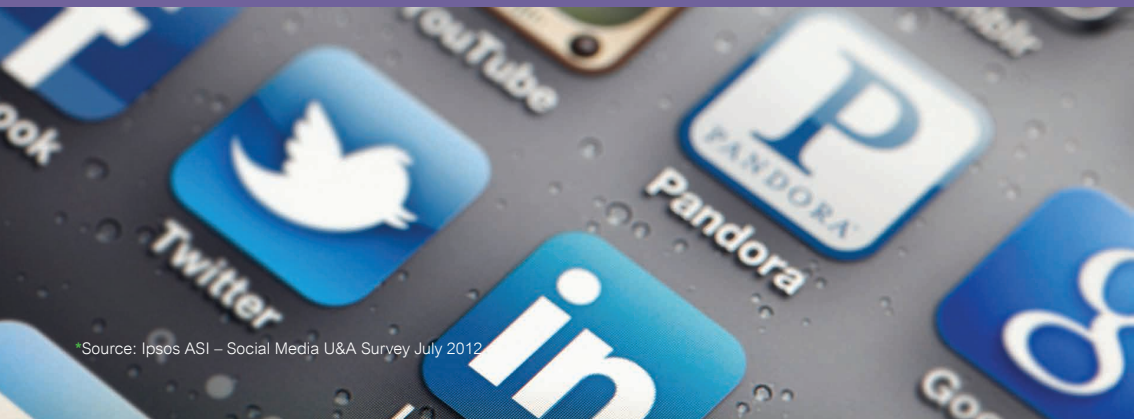


The attraction of Social Media for many is its immediacy. People don't want to have to wait until they get home to find out about news stories or share things with their friends, and with smartphones they don't have to. The Tech Tracker tells us that ownership of smartphones amongst users of Social Media sites is considerably higher than the average for the whole adult population – with an average of 81% of Social Media users owning a smartphone.

Mobile technology is becoming more and more sophisticated, making it quicker and easier for users to access the information that they need to. In the next year people will become exposed to the increased speeds that 4G will bring,

enabling them to keep up-to-date even more speedily than they currently do.

Indications are that smartphones will be increasingly key in the fortunes of Social Media sites. The growth of one can arguably benefit the other, and the next year will surely see social sites looking to their mobile platform to ensure it is as intuitive as it can be. Sites like Instagram, Twitter and Pinterest already benefit from the fact that users can spontaneously share or update. Getting advertising right on mobiles is the next key challenge. Currently, half of UK smartphone users find mobile adverts annoying and less than 1 in 5 find them relevant.*



*Source: Ipsos ASI – Social Media U&A Survey July 2012



WHAT DOES THE FUTURE HOLD?

It was inevitable that Social Media sites would attract marketers given the sheer volume of potentially valuable data that exists on them. If anything the surprise is that it has taken as long as it has for many businesses to really appreciate the potential. The fact that commentators are suggesting Yahoo's future could improve significantly after their recent acquisition of Tumblr illustrates the weight of importance placed on social media sites nowadays.

The fortunes of smartphones and Social Media look like they will be increasingly interlinked as more and more users turn to their mobile hub for regular visits to the sites that they use. People are already used to instantaneous news and updates, and this is sure to become even more expected as exposure to 4G becomes more widespread and the devices themselves evolve to take on more and more responsibility in users' everyday lives.

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