



the gandalf group

The 35th Quarterly C-Suite Survey

Final Report

June 24, 2014

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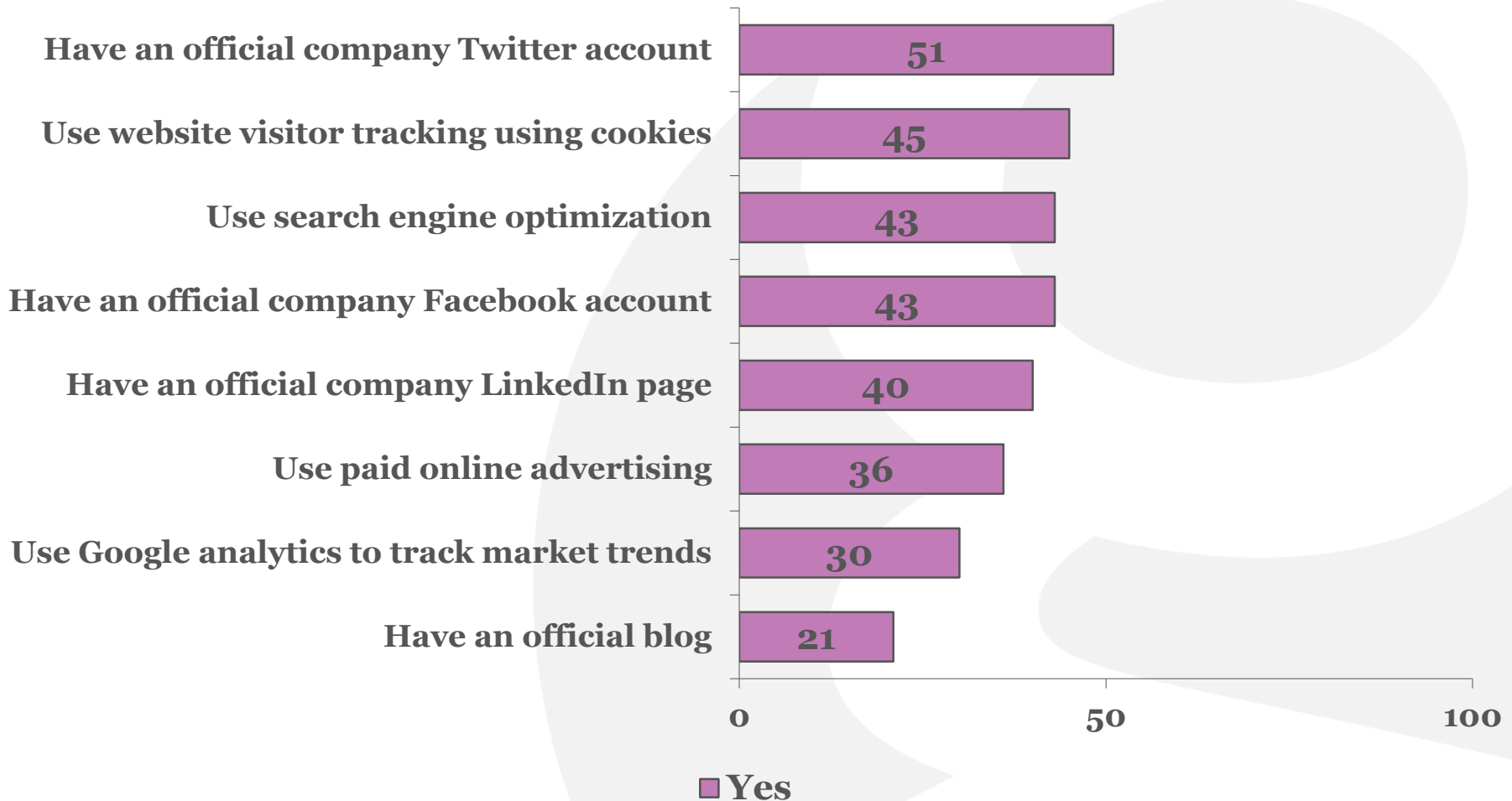
- ❑ This is the 35th edition of the C-Suite Quarterly Survey, conducted on behalf of KPMG; published and broadcast by *The Globe and Mail's Report on Business* and *BNN*.
 - Previous quarters' surveys are available at GandalfGroup.ca .
- ❑ This quarter's survey included questions about:
 - Company's Use of Social Media & Online Strategies
 - Transitioning to Online Media from Traditional Media
 - Executives' Personal Use of Social Media
 - The Outlook for the Economy
- ❑ Methodology: telephone interviews with 129 C-Suite executives from ROB1000 companies between June 4th and June 24th, 2014.

A Substantial Number of Companies Are Active in Social Media, But Many Are Unenthusiastic

- ❑ Many companies are active in social media with official corporate accounts Facebook or Twitter.
 - 51% of companies have a Twitter account; 43% on Facebook; 40% on LinkedIn.
 - Two thirds of service sector companies have a Twitter account and most have a Facebook account.
 - 47% said it plays a very or somewhat important role in their communications and marketing.
- ❑ But enthusiasm for social media is limited.
 - Only 23% said it substantially changes how they market or communicates.
 - The importance placed on social media is much lower outside of the services sector: e.g. resources companies are far less interested in the usefulness of social media. The result is that larger companies (i.e. large employers) are more engaged than many mid-sized or smaller employers.

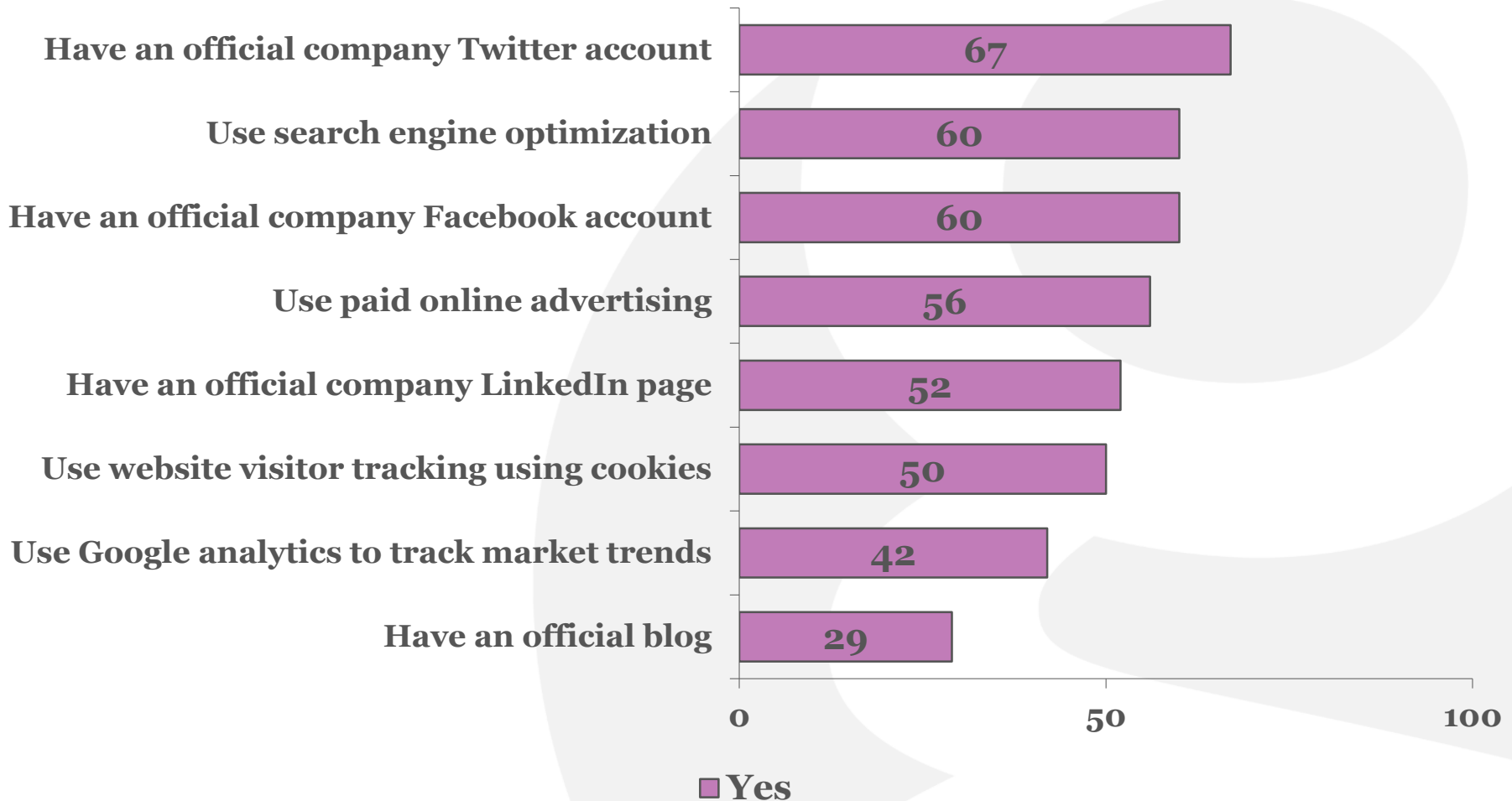
What Social Networking & Online Services Are Companies Using?

Please tell me with a yes or no answer which of the following online services your company takes advantage of.
Does your company:....? (% saying their company uses each)



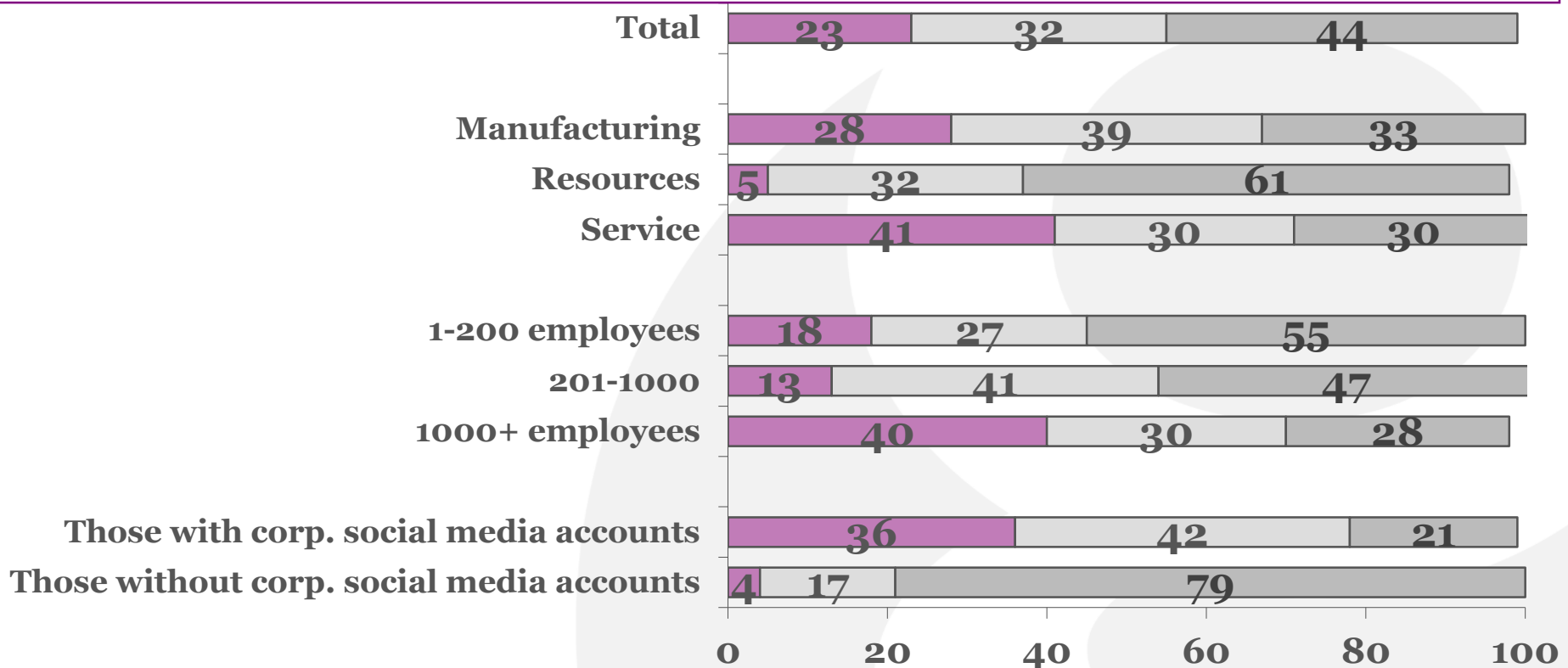
Service Sector Companies: Social Networking & Online Services

Please tell me with a yes or no answer which of the following online services your company takes advantage of.
Does your company:....? (% saying their company uses each) **Service Sector Only**



Is Social Media Necessary & How Beneficial Is It?

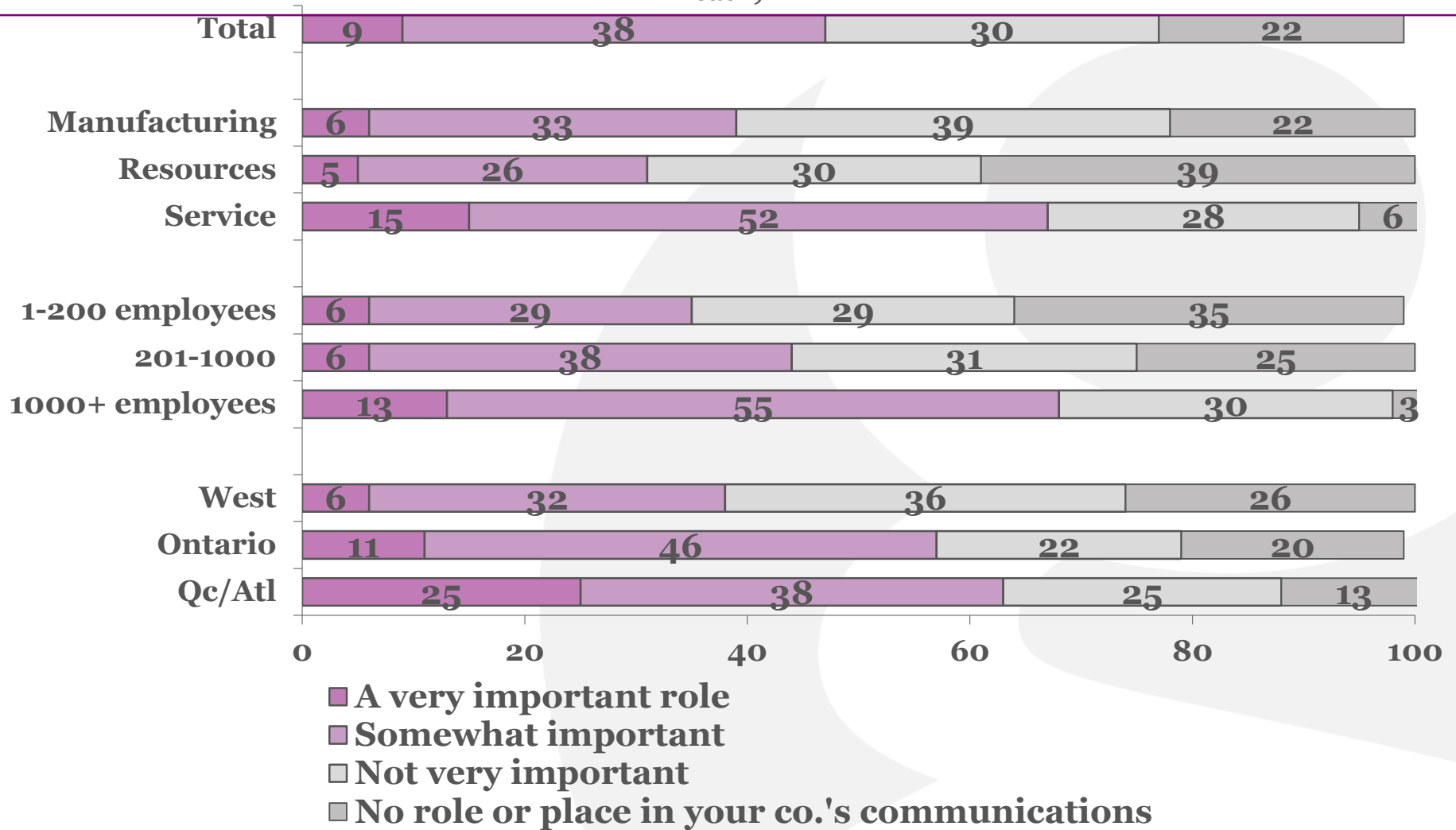
Which of the following three statements is the most applicable to your company?
(% saying each)



- Social media substantially changes how we communicate and market
- A social media presence is required to do business, but mostly doesn't change how we communicate and market
- It isn't necessary to have a social media presence

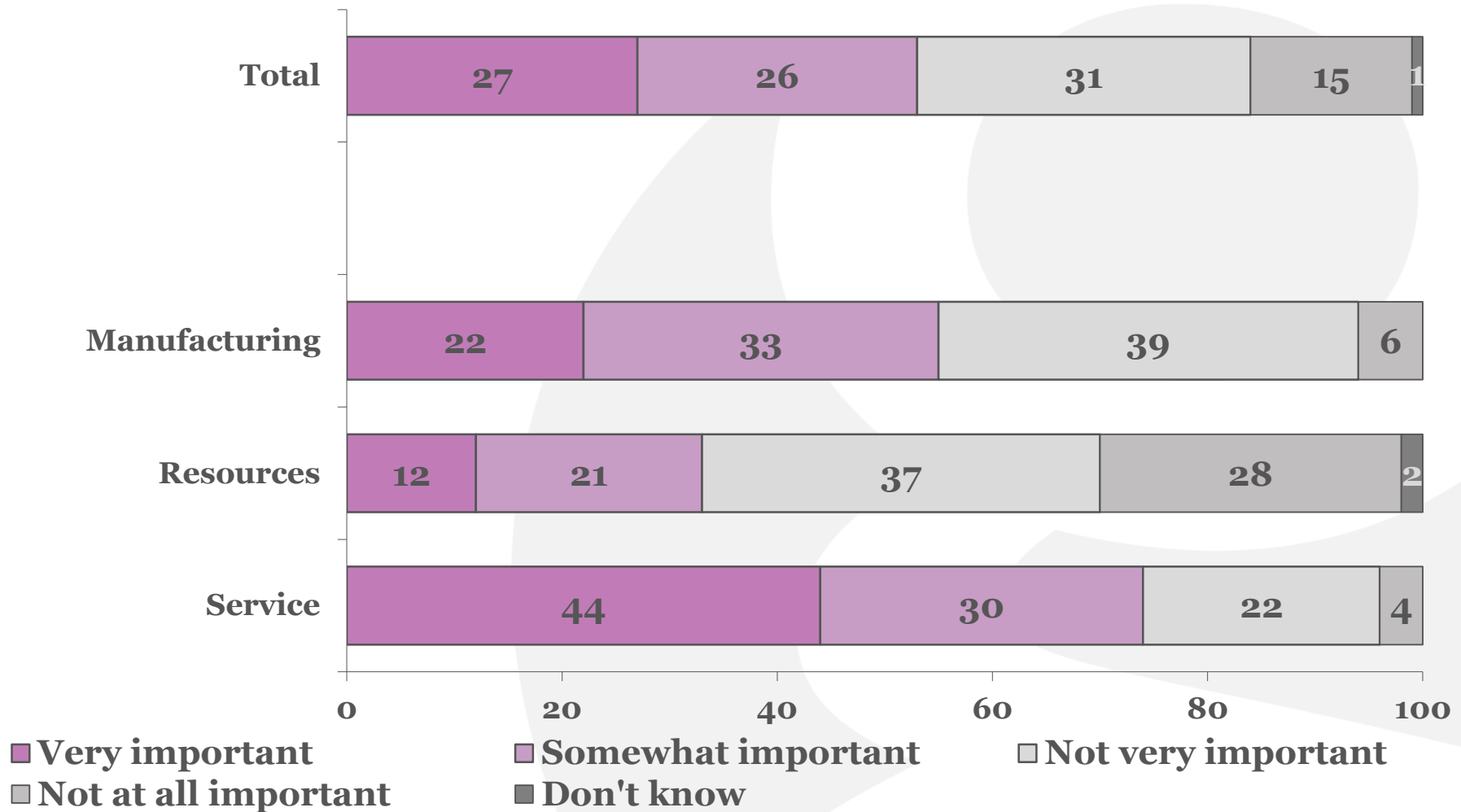
Importance of Social Media To Companies

How important a role does social media have in your company's communications? Is it: (% saying each)



Importance of Social Media to Different Sectors

How important is it for businesses in your sector to have a corporate presence on social-media networks? Very important, somewhat important, not very important or not at all important? (% saying each)

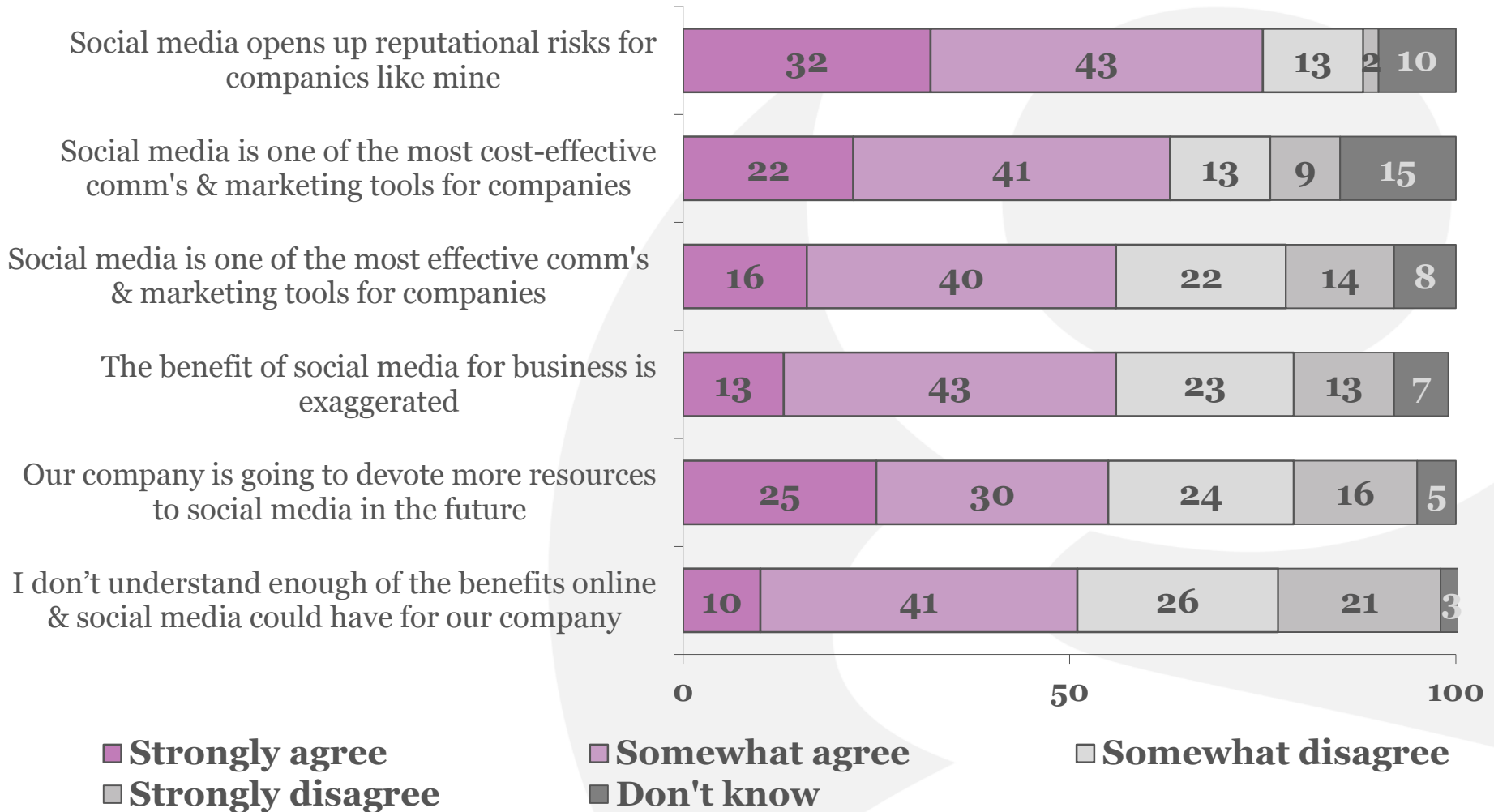




- ❑ There is a divide between companies about the usefulness of social media. Many are engaged, some are very enthusiastic. Yet, close to half see little role for it or benefit from it.
 - Just over half believe social media's value to businesses is overrated. Younger executives were not less likely to say this.
 - 53% of those using social media said it's not helping their bottom line.
 - However 55% intends to increase their social media initiatives: these are again mostly larger employers and those in the services sector.
- ❑ Many – 51% – admit they know little about the benefits of social media to businesses.
- ❑ Most know a cost-effective communications & marketing tool.
- ❑ But even more believe it presents a reputational risk for companies.
 - 75% agreed with this - it is the one thing that executives were certain about when it comes to social media.

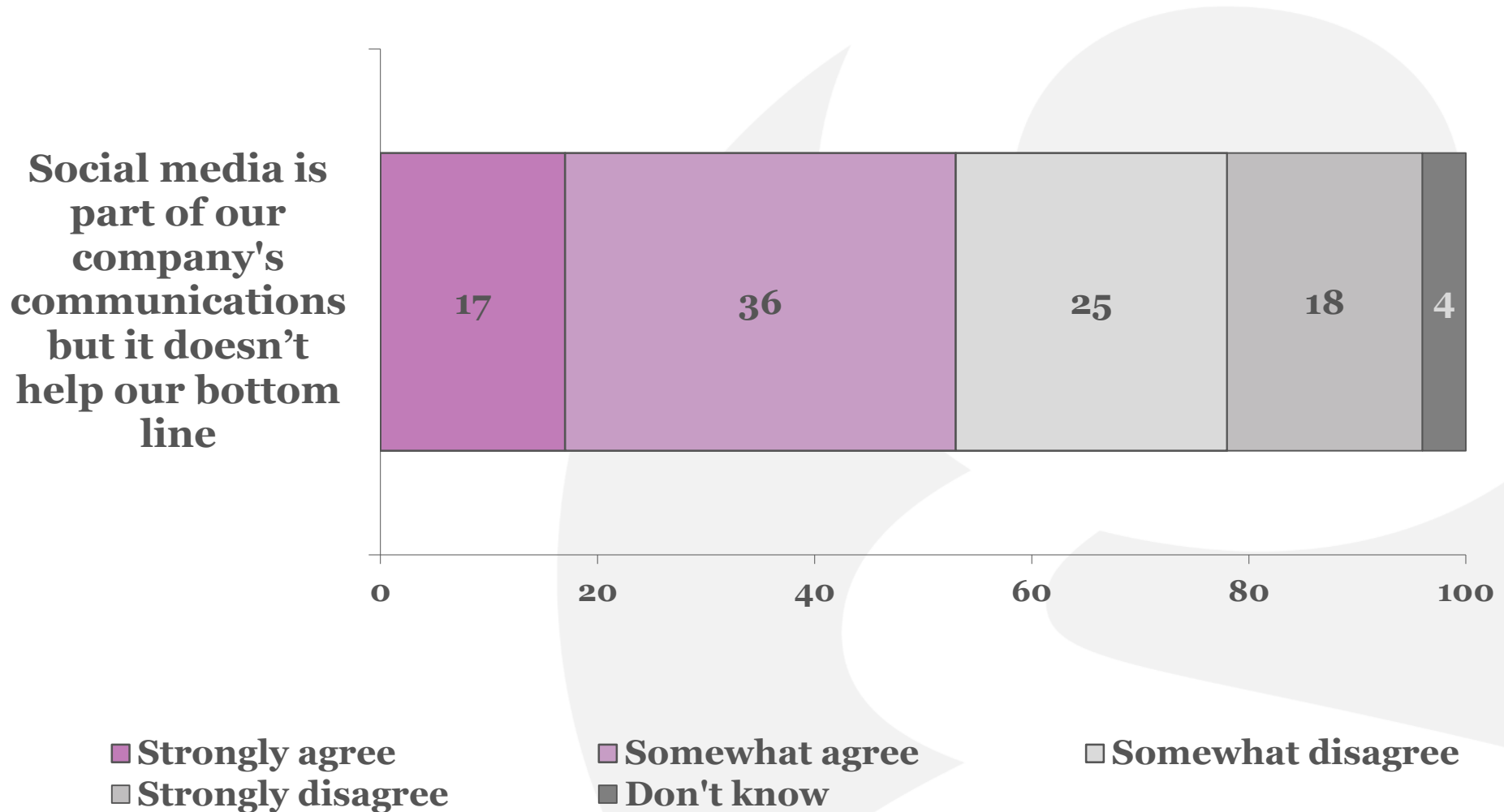
Social Media's Pros & Cons

Please tell me if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the following statements:(% saying each)



Social Media's Pros & Cons

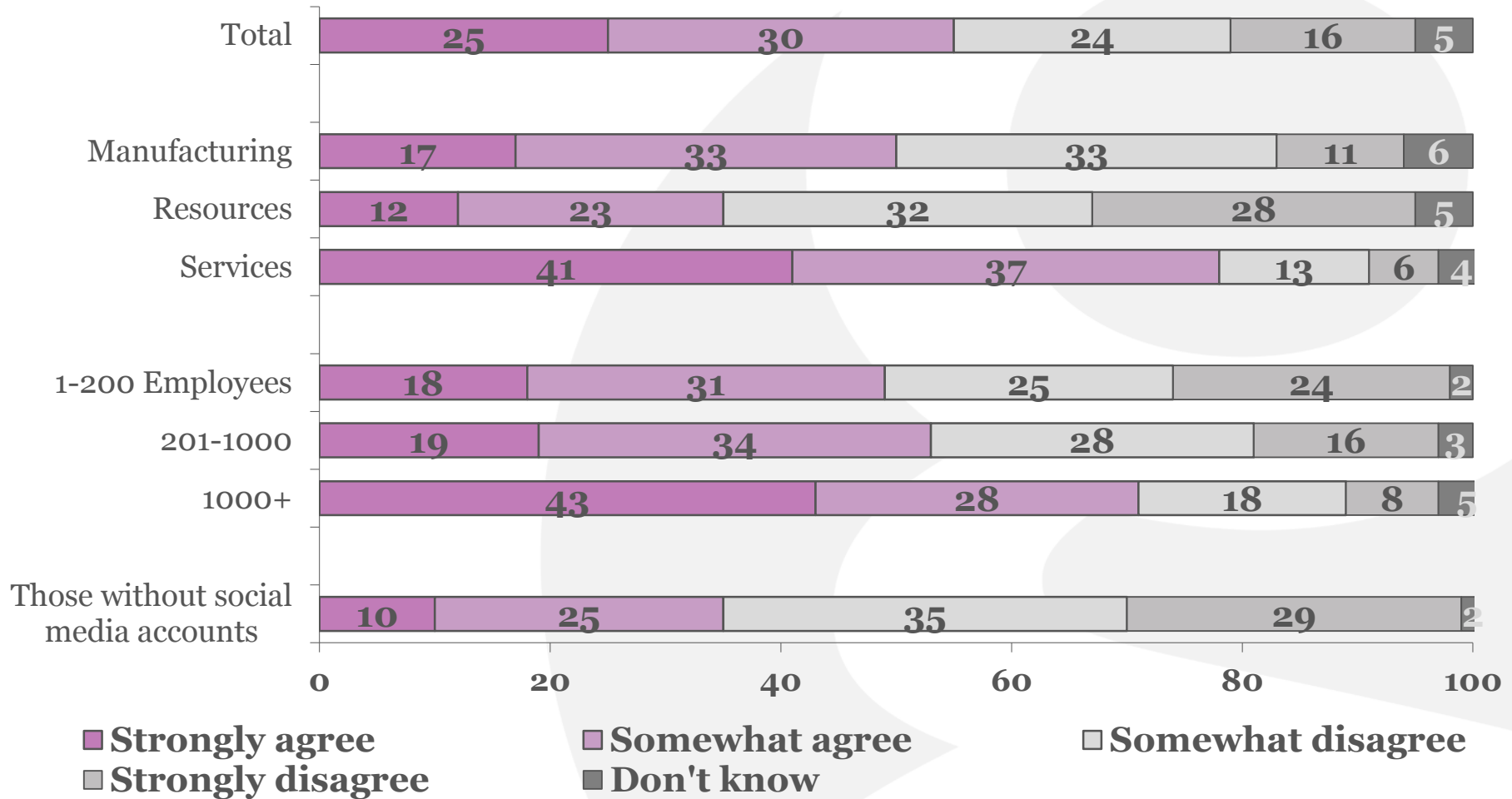
Please tell me if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the following statements:(% saying each) **Only Among Those with Social Media Accounts**



Social Media's Pros & Cons

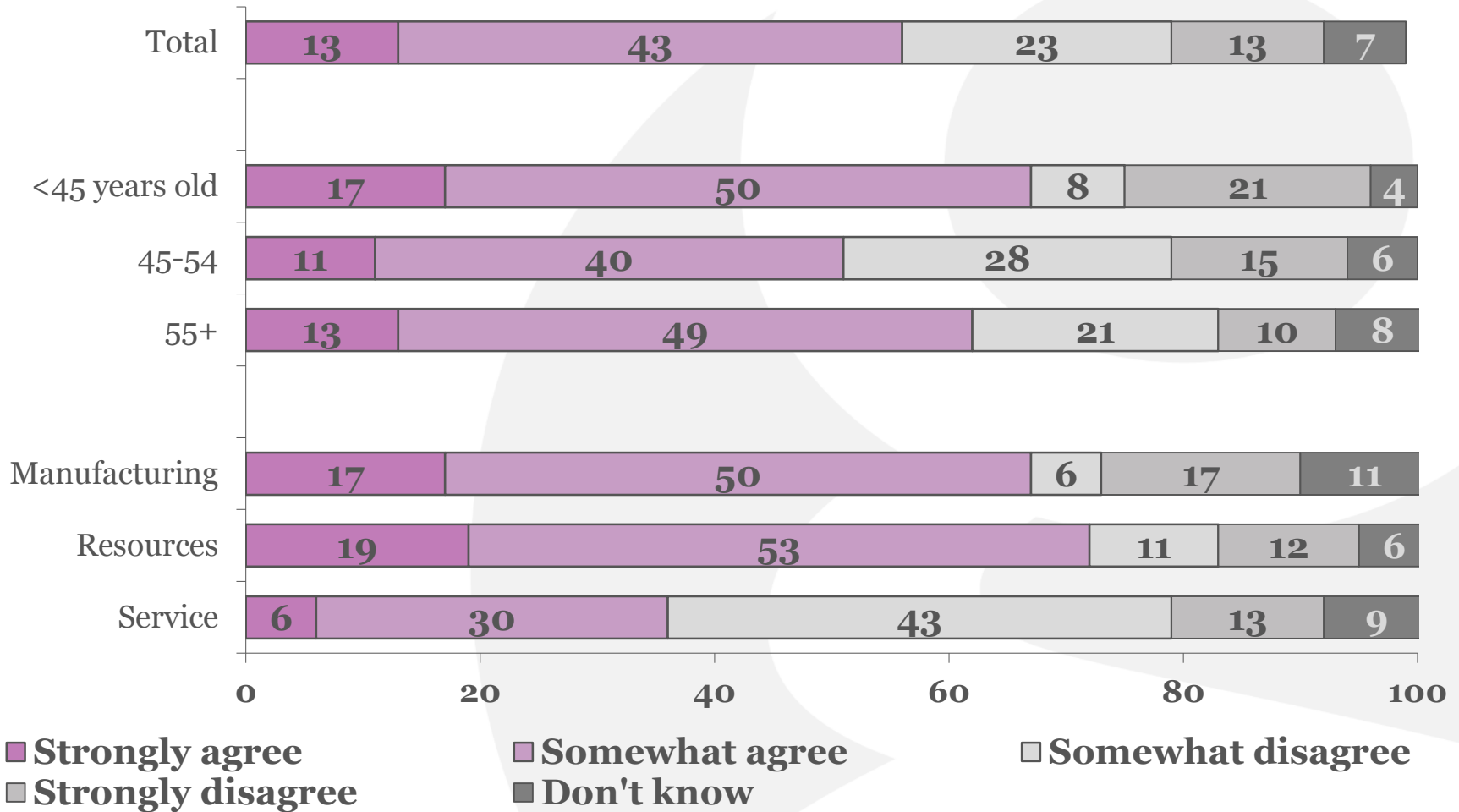
Please tell me if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the following statements:(% saying each)

“Our company is going to devote more resources to social media in the future”



Social Media's Pros & Cons

Please tell me if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the following statements:(% saying each)
“The benefit of social media for business is exaggerated”

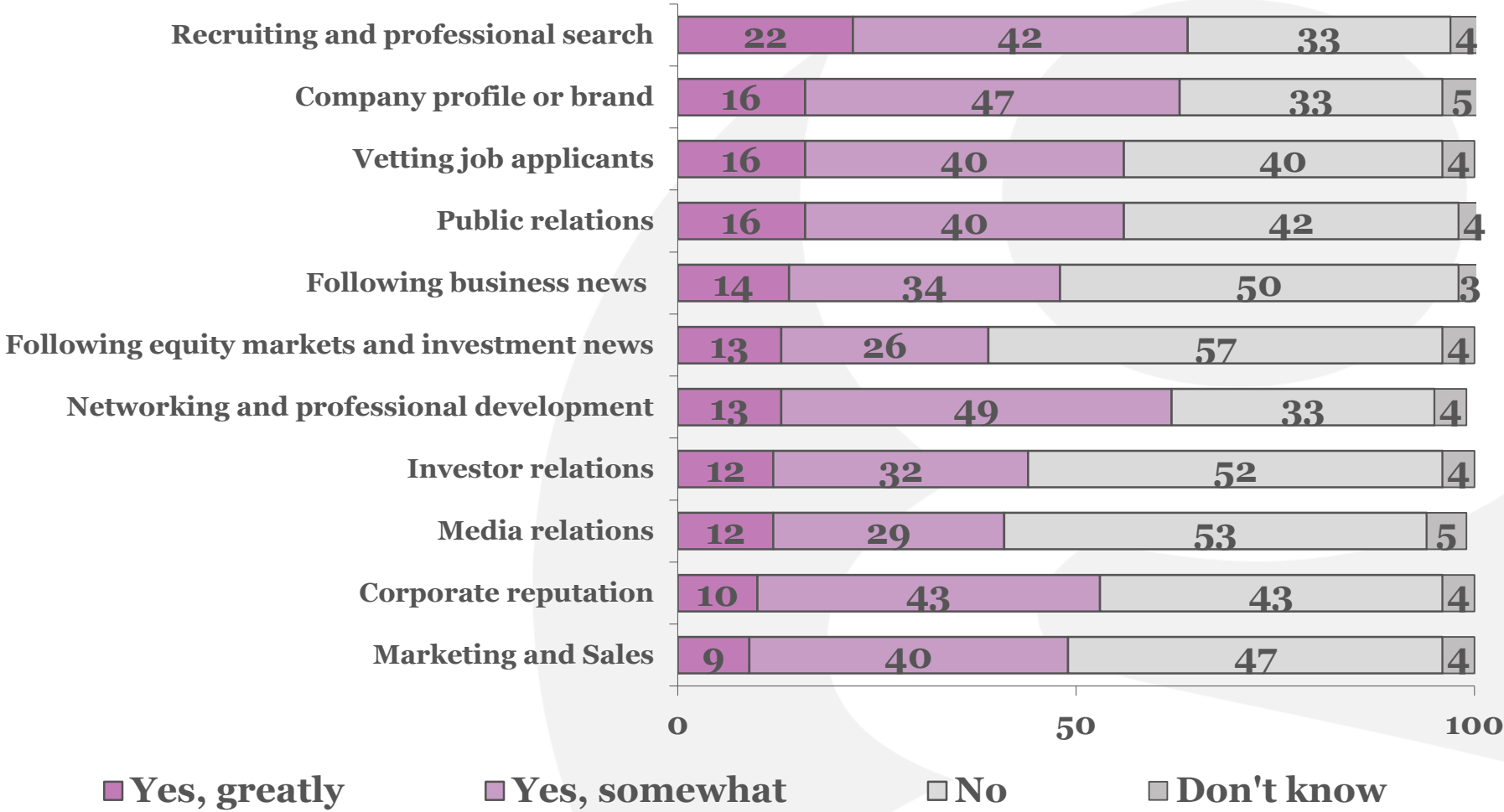


Social Media Supports Cos. Brands, PR, But Helpful For HR & Networking

- ❑ Most of the C-Suite believes social media helps companies with:
 - professional search
 - networking
 - vetting job applicants
 - their corporate brand
 - Service sector firms, and those with social media accounts were somewhat more likely to say social media helps with brand and public relations than they were to say it helps with HR matters.
- ❑ Fewer believe it is helpful for following business news, investor relations or media relations.
- ❑ An additional benefit is the ability to target very specific audiences.

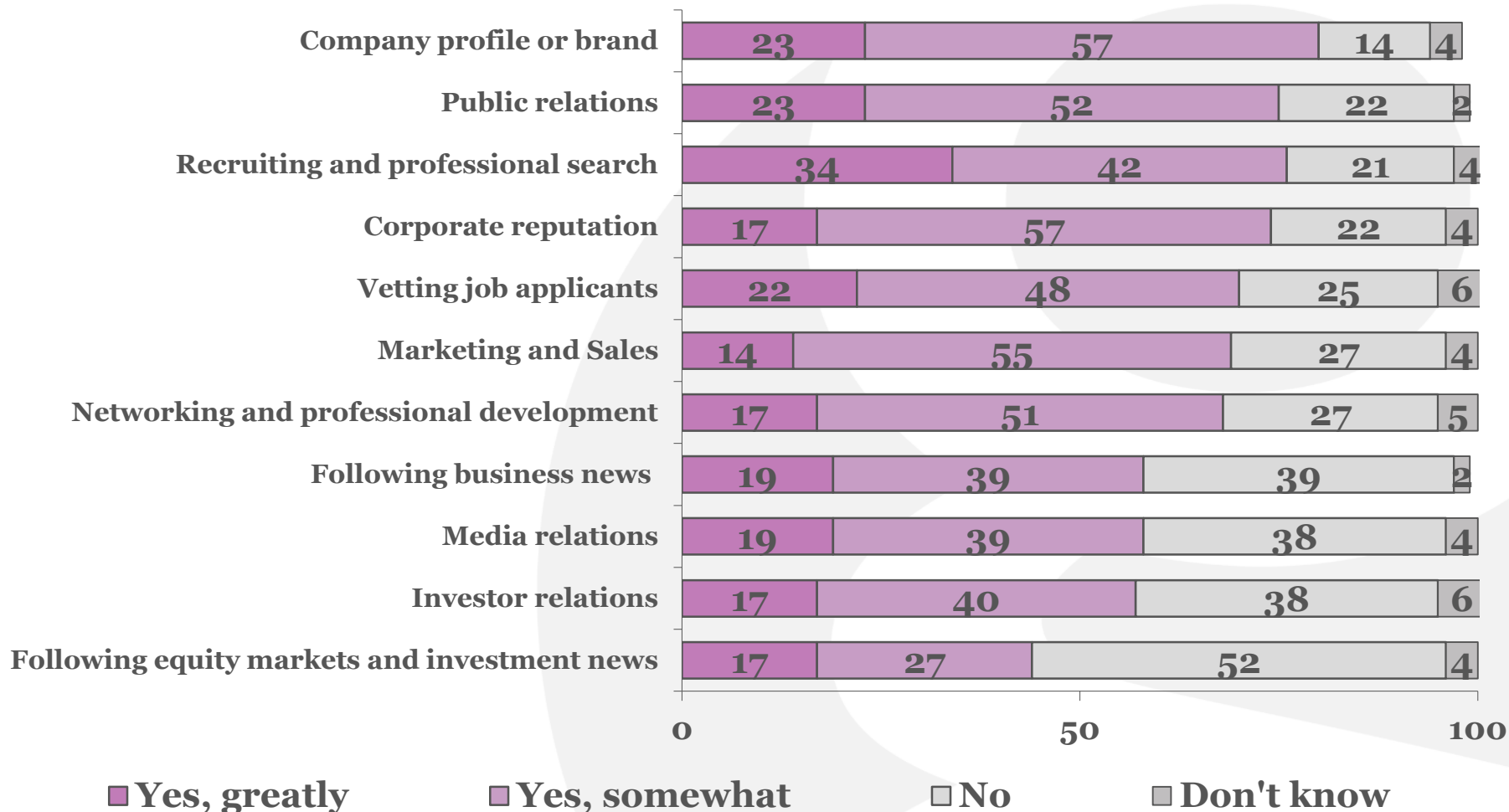
Importance of Corporate Presence on Social Media

Now I'd like you to tell me with a yes or no answer if social media helps your company to support any of the following. (% saying each) *Among all companies/respondents.*



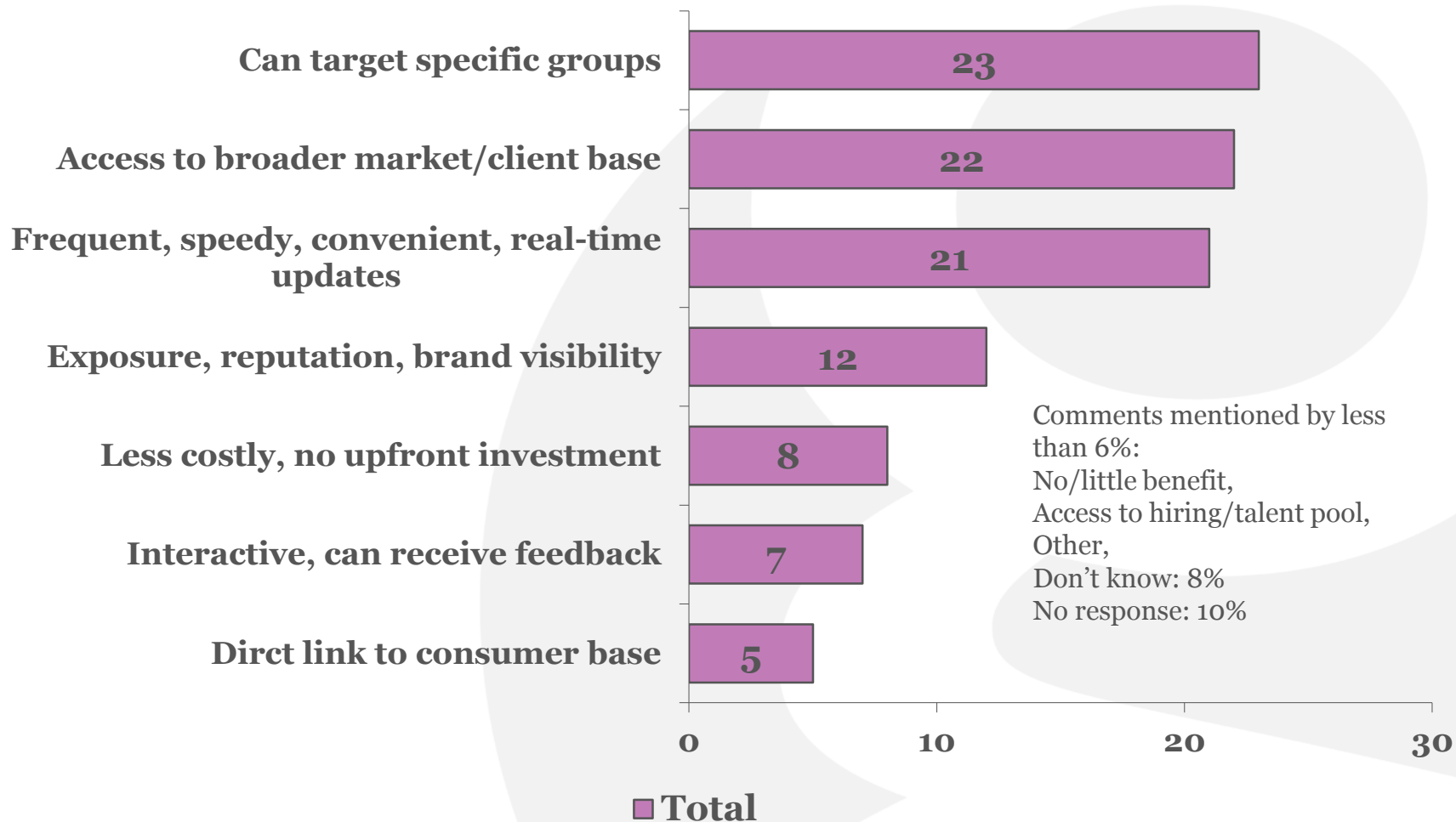
Importance of Corporate Presence on Social Media

Now I'd like you to tell me with a yes or no answer if social media helps your company to support any of the following. (% saying each) *Among those with corp. social media accounts; n=74*



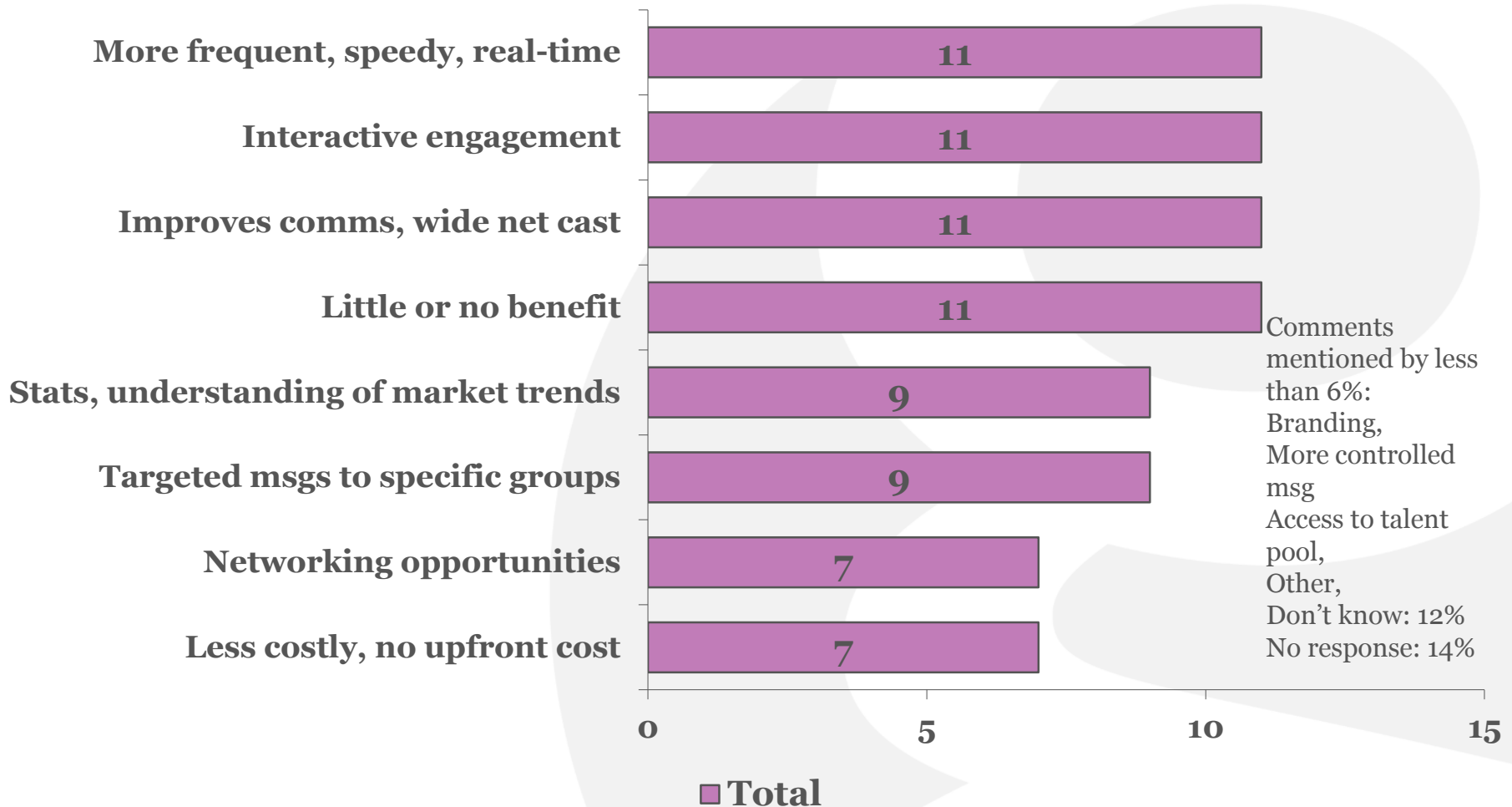
Corporate Value of Social Media Vs. Traditional Forms of Communications

What is the main value for companies when it comes to using social media versus traditional forms of communications? (open-ended; % saying each)



Personal Value of Social Media Vs. Traditional Forms of Communications

What is the main value for executives when it comes to using social media versus traditional forms of communications? (open-ended; % saying each)

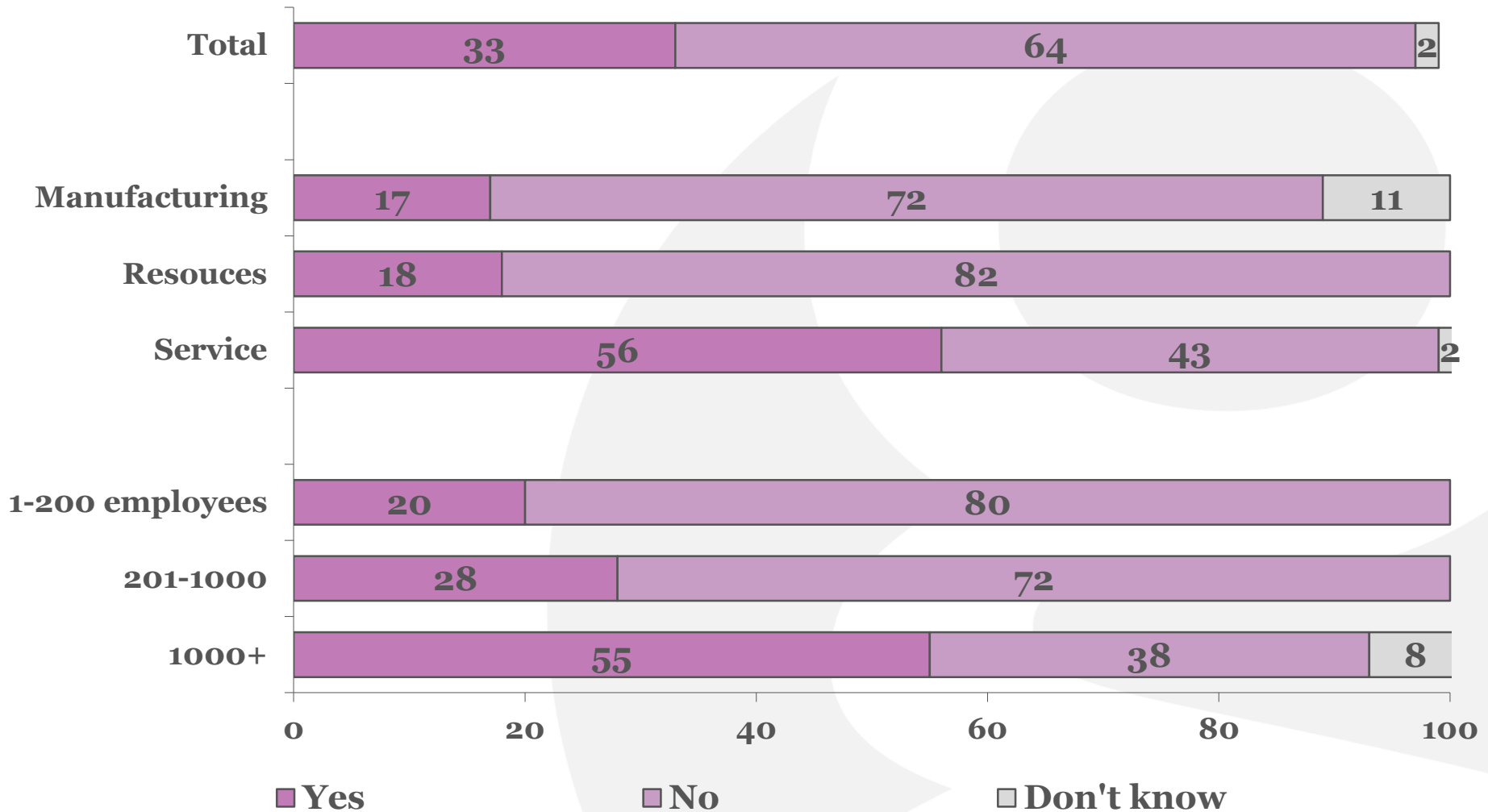


One In Three Companies Have Dedicated Budget To Social Media

- ❑ One third of all companies has assigned specific budget to social media.
 - This includes the majority of service firms and large employers.
- ❑ One third of companies have shifted marketing budget from paid media to social media.
 - Among services sector companies, most have shifted budget to social media.
 - On average, those companies that have done so have moved 20% of their media budget away from paid to social media.

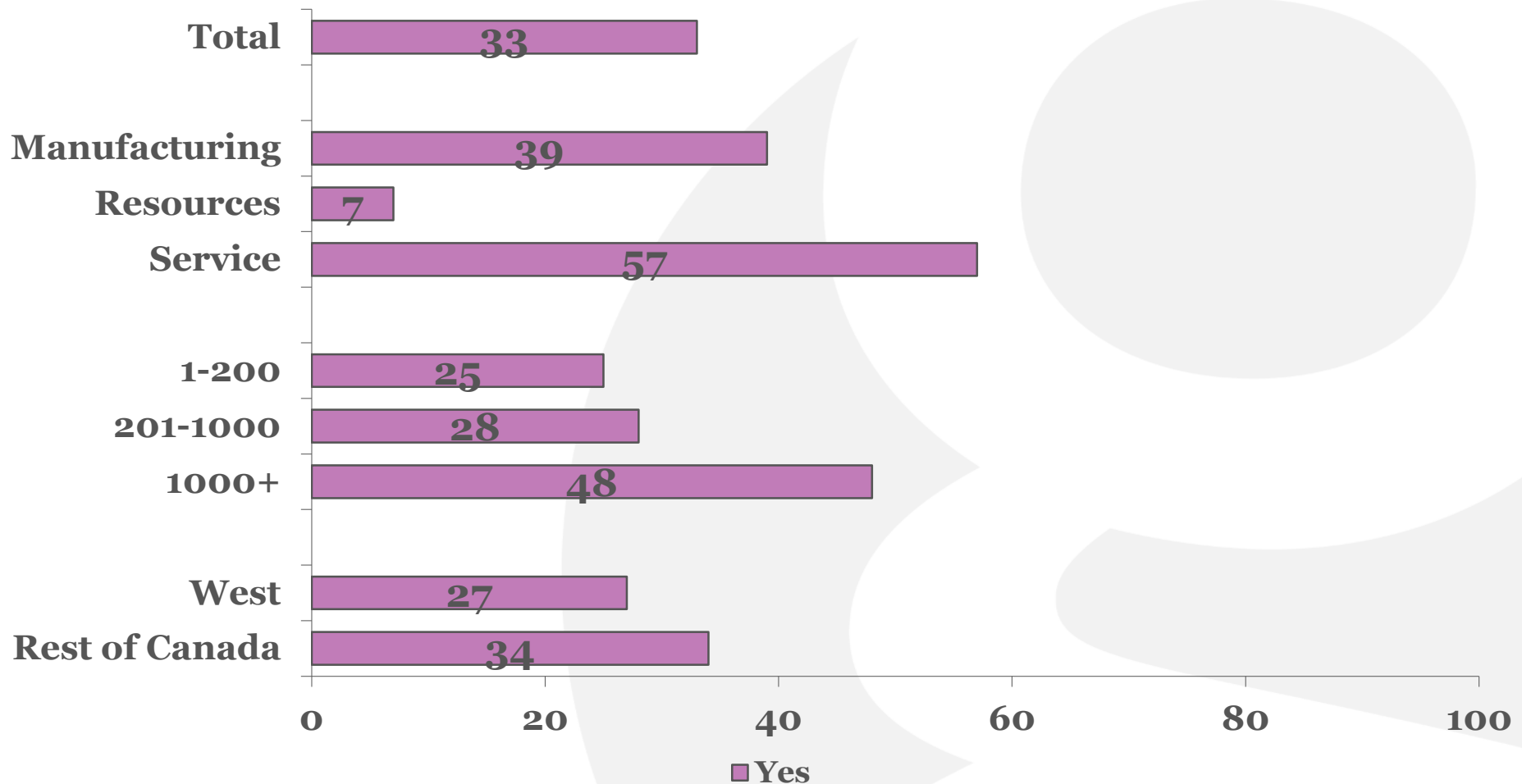
Specific Budget for Social Media Advertising

Has your company assigned specific budget to social media? (% saying each)



Shift to Use of Social Media Advertising

Has your company shifted marketing budget from paid media to social media? (% saying each) If yes, can you estimate what % of your marketing budget has been shifted to social media over time?

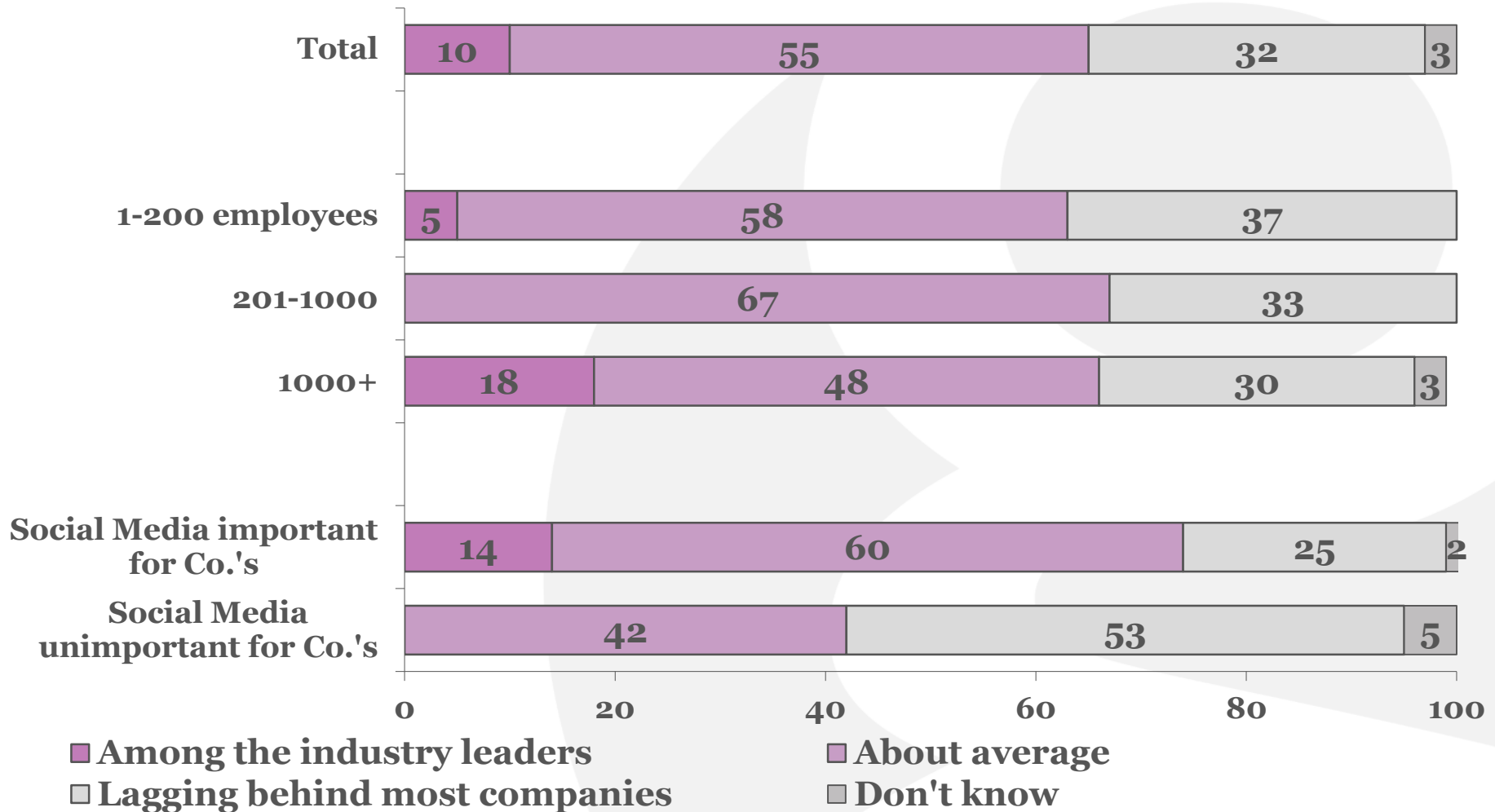


How Are Companies Managing Social Media?

- ❑ Few of the companies using social media believe they are industry leaders in this area.
- ❑ 77% of companies using social media have an executive designated to supervise the use of social media. For most this is at the VP level or higher.

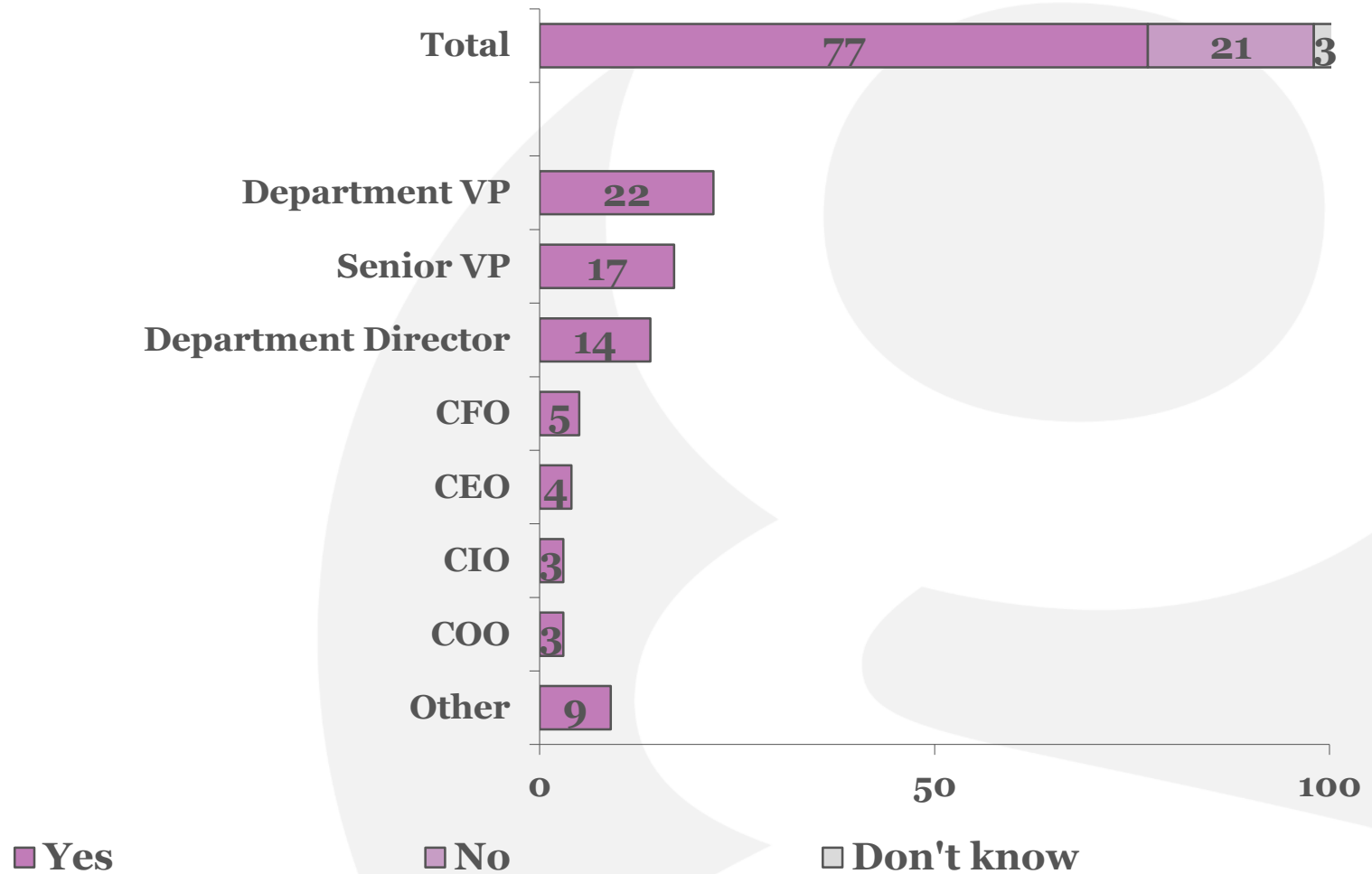
Self-Assessment of Social Media Use

How would you rate your company's performance in using social media? Would you say your company is:
 (Asked **only** of those whose cos. use social media, % saying each)



Executive Supervision of Social Media

Do you have an executive supervising the corporate use of social media? If so, at what level or title?
(Among those whose co. uses social media, n=74; % saying each)

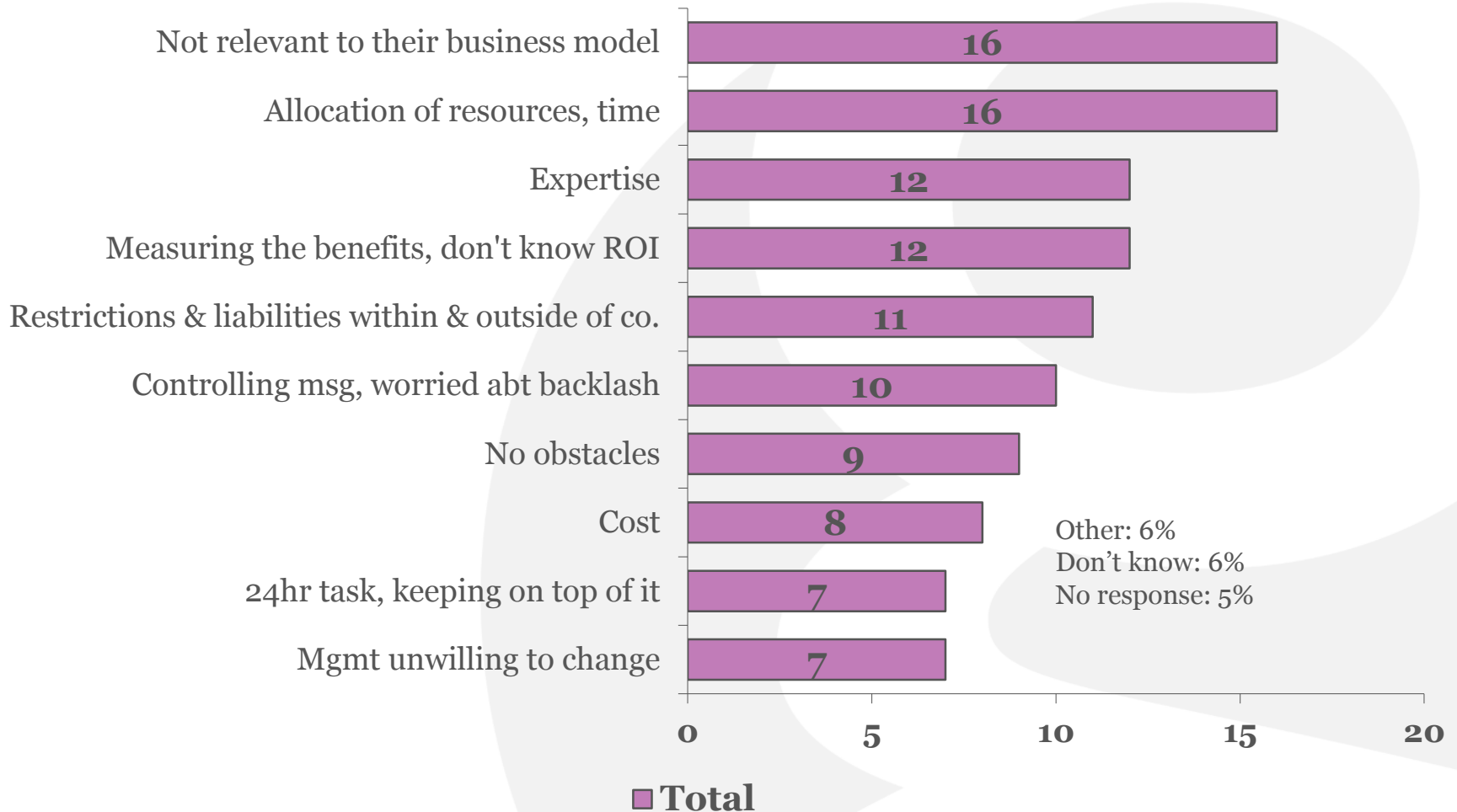


What Are Obstacles To Implementing Social Media Strategies?

- ❑ Reasons why companies may not be active in social media:
 - They question the value of the investment of those resources.
 - The time and resources and personnel/expertise it requires.
 - They feel it's not relevant to their business or industry.
 - Or limitations on or concern about liability for what they can say or comment on, and potential backlash social media conversation can have.
- ❑ Very few companies encourage social media use at work but most are neutral about their employees' use of social media on company time.
 - Only 3 in 10 employers actively discourage social media use by employees at work.

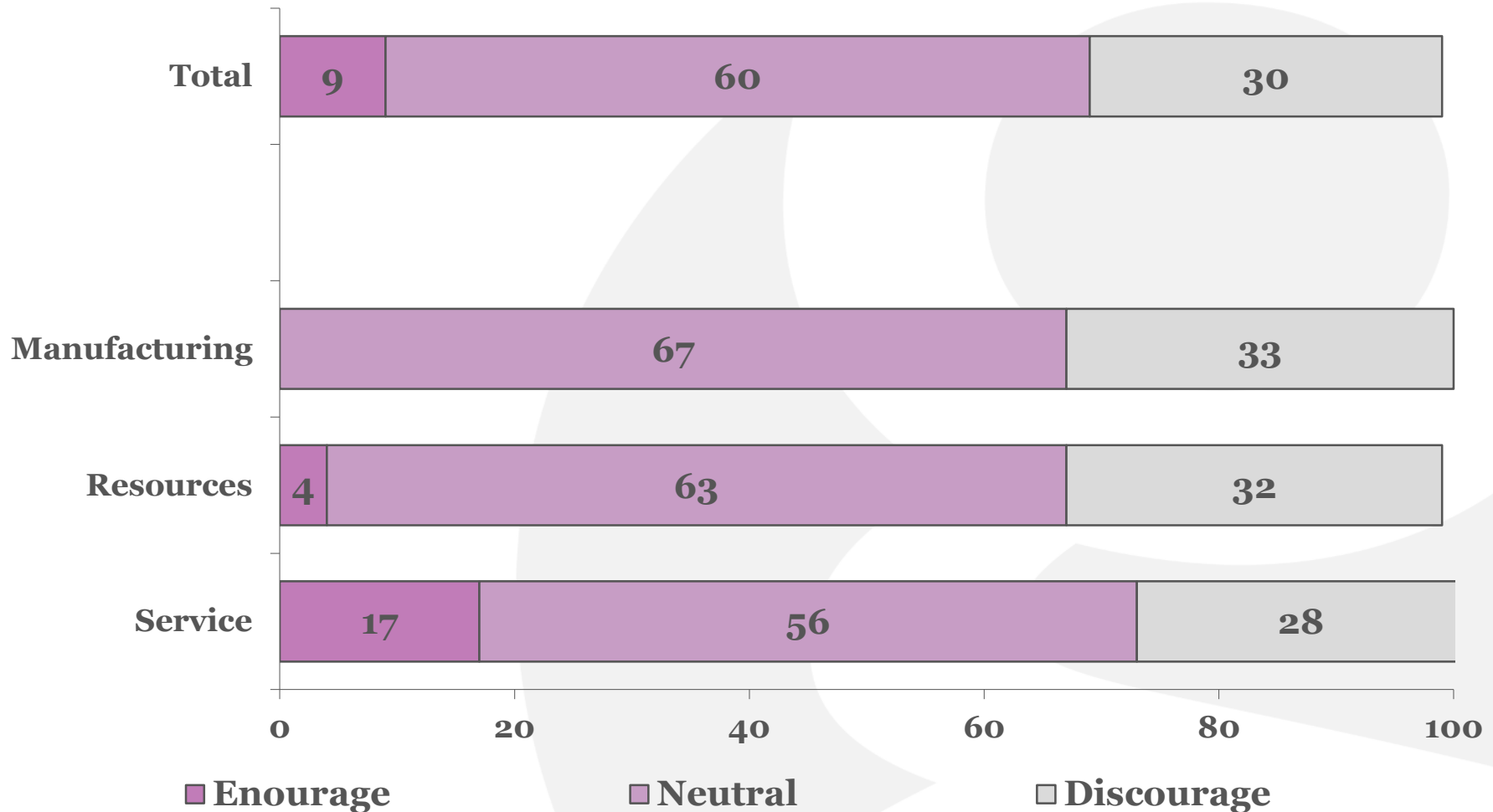
Obstacles to Doing More with Social Media

What are obstacles for companies like yours that prevent them from doing more with social media?
(open-ended; % saying each)



Company Policy of Staff's Personal Social Media Use at Work

Does your company encourage, discourage, or remain neutral about your staff's personal use of online social media while at work? (% saying each)

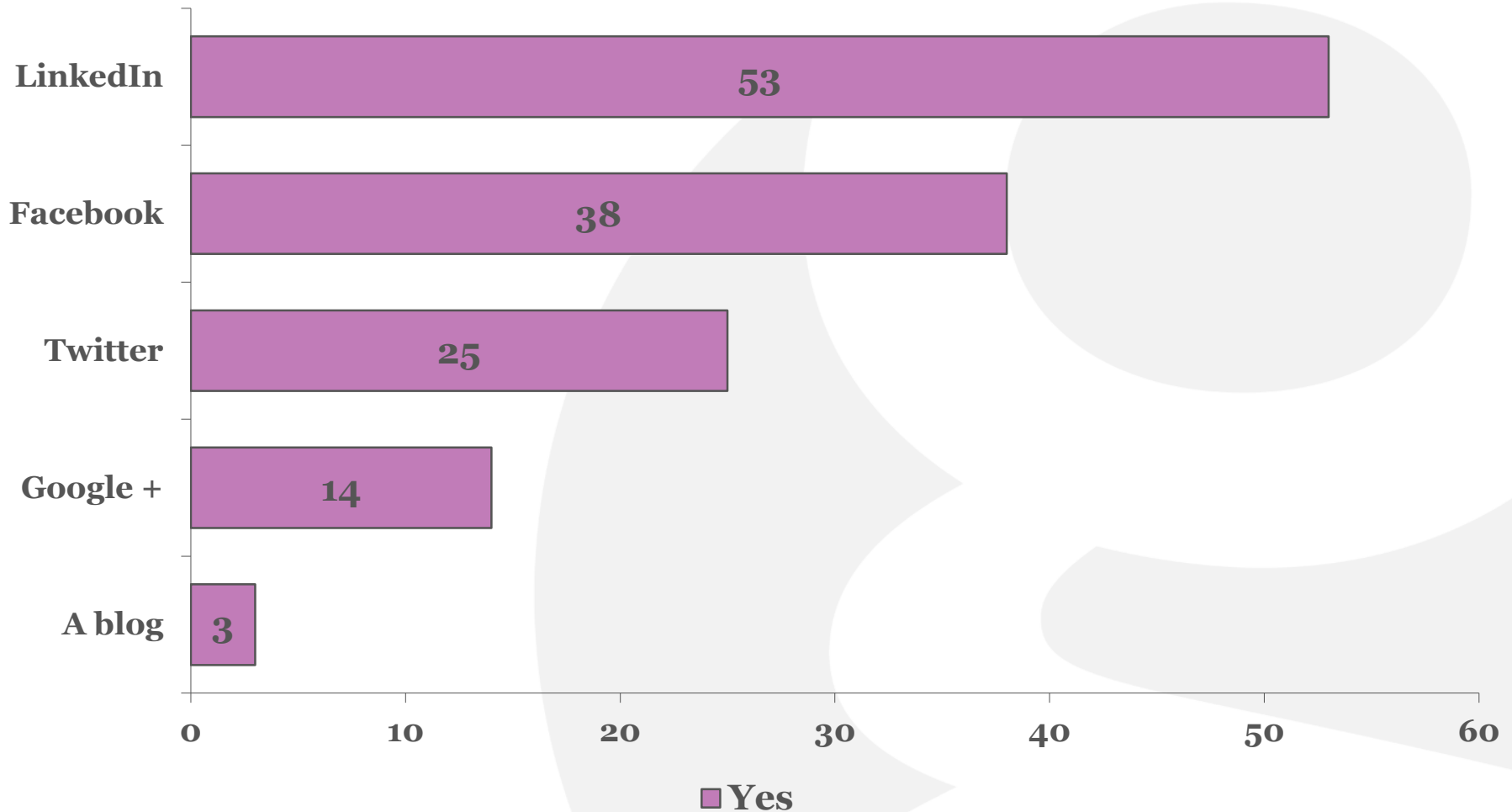


Executives' Personal Social Media Use

- ❑ 57% of executives have their own social media accounts set up in their name.
- ❑ Of that group, the vast majority have a LinkedIn account; most are on Facebook.
 - Among all executives surveyed, 53% are on LinkedIn, 38% are on Facebook, 25% on Twitter.
- ❑ Most with social media accounts are using their accounts for personal/social reasons but somewhat more said they use their accounts for professional networking. They were far less likely to say they use their personal accounts to promote their companies.
- ❑ The majority posts on their accounts occasionally. Few (4%) post to their accounts about once a day. None admitted to posting more than once a day.

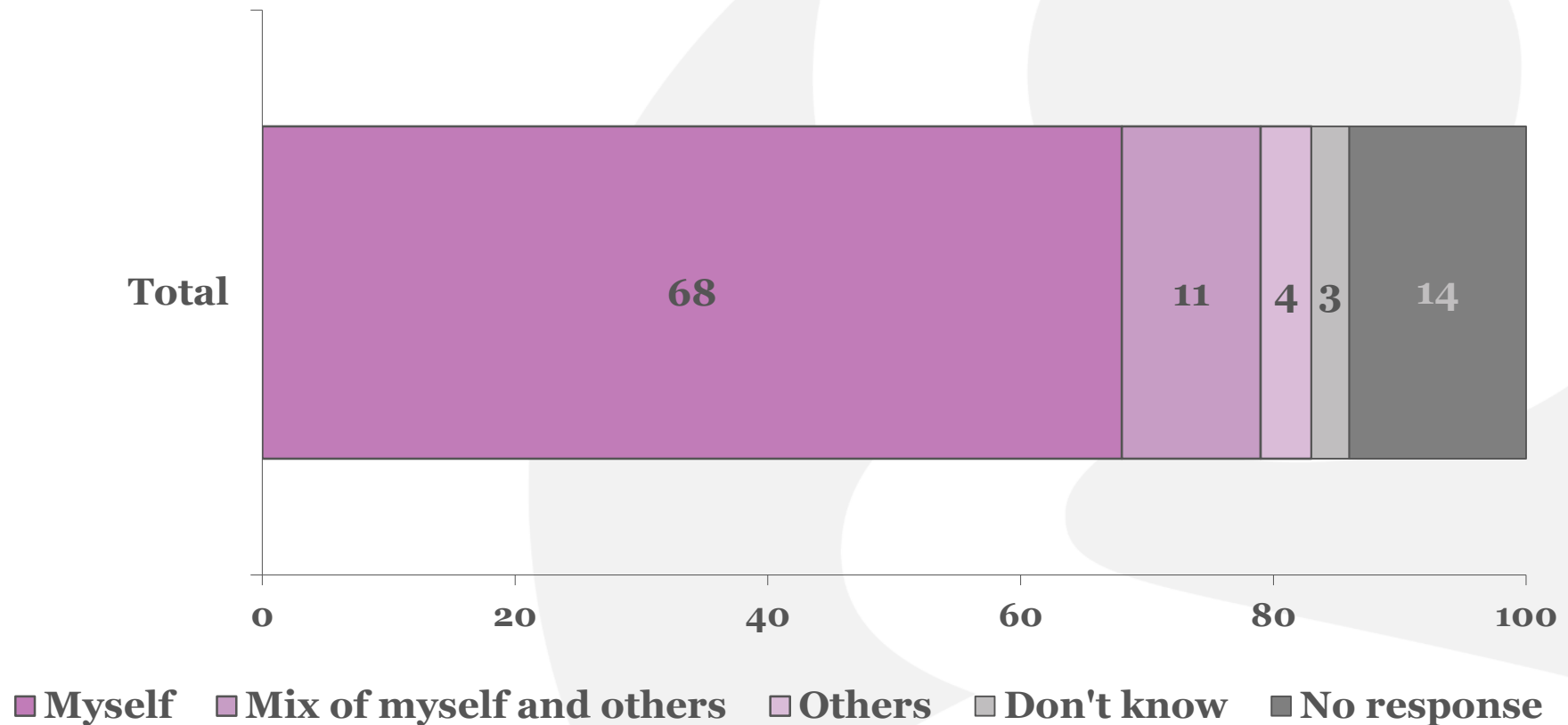
Personal Social Media Accounts

Do you have a social media account set up in your name? If yes, do you have a...
(% of All Executives surveyed with each)



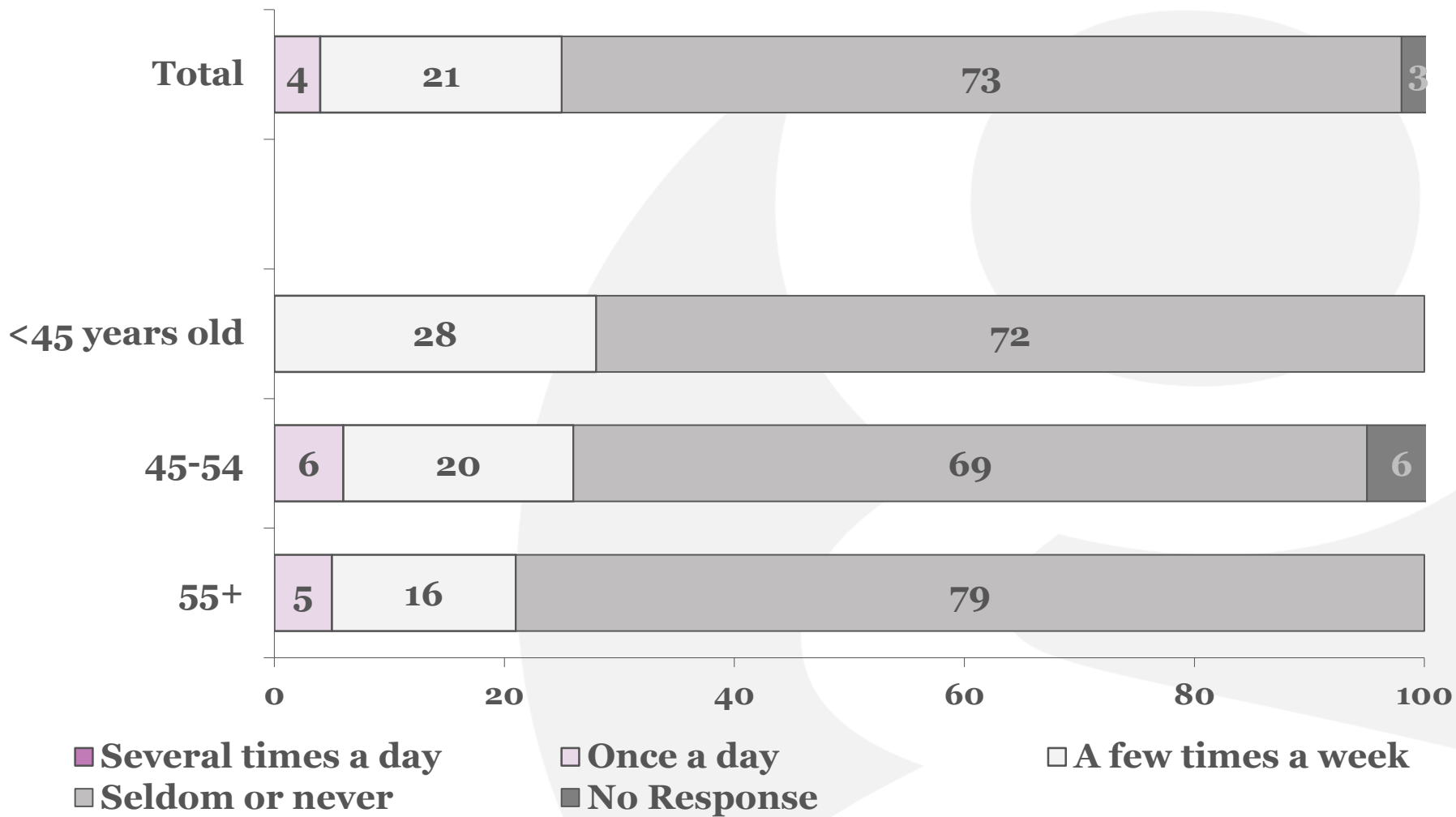
Who Writes Personal Social Media Posts?

Do you usually write posts yourself or have others do it in your name?
(Among those with social media accounts, n=71; % saying each)



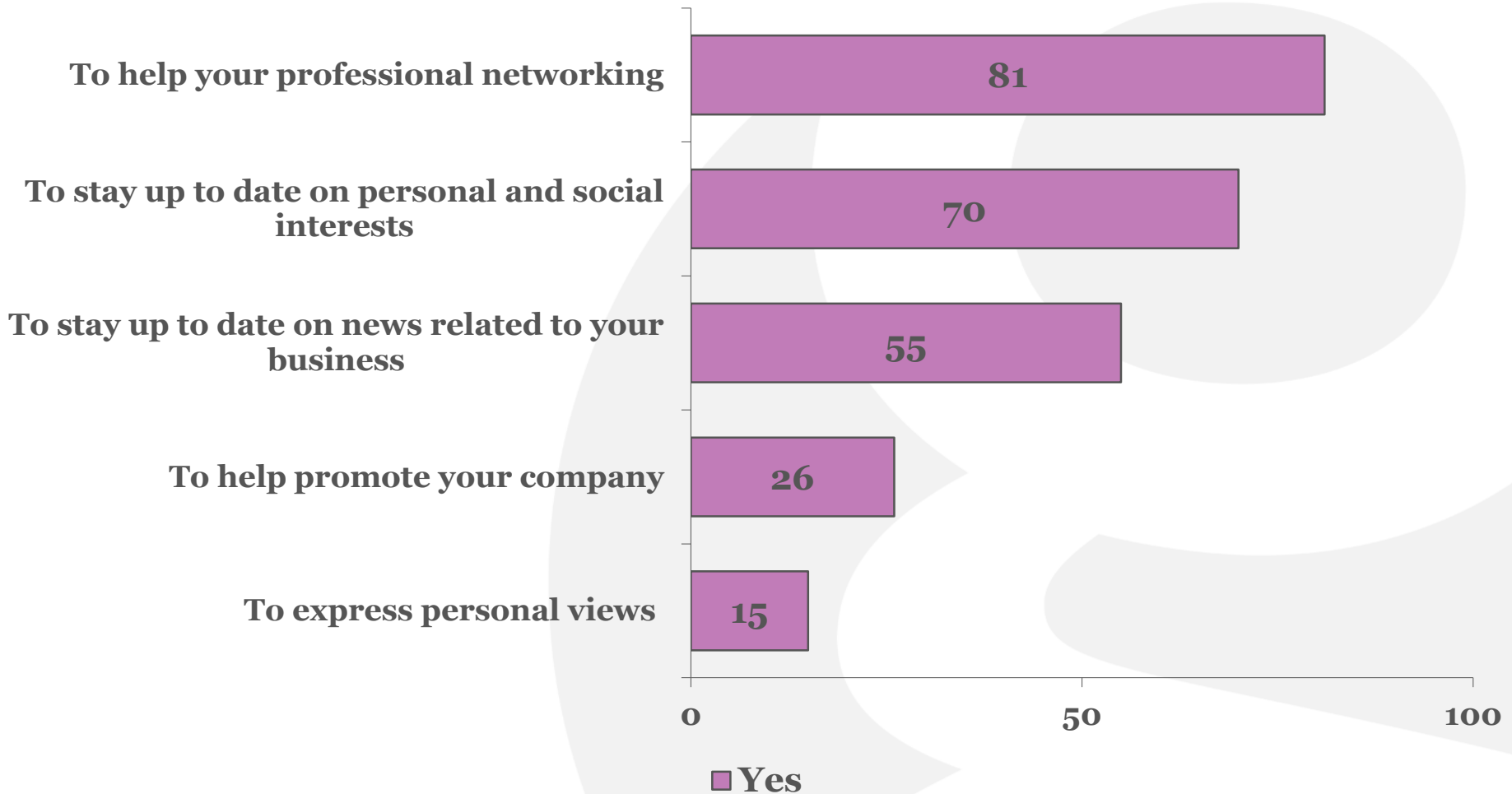
Frequency of Personal Social Media Posts

How often do you post online? (Among those with social media accounts, n=71; % saying each)



Uses of Personal Social Media Accounts

Do you use your personal social media account...?
(Among those with social media accounts, n=73; % saying each)

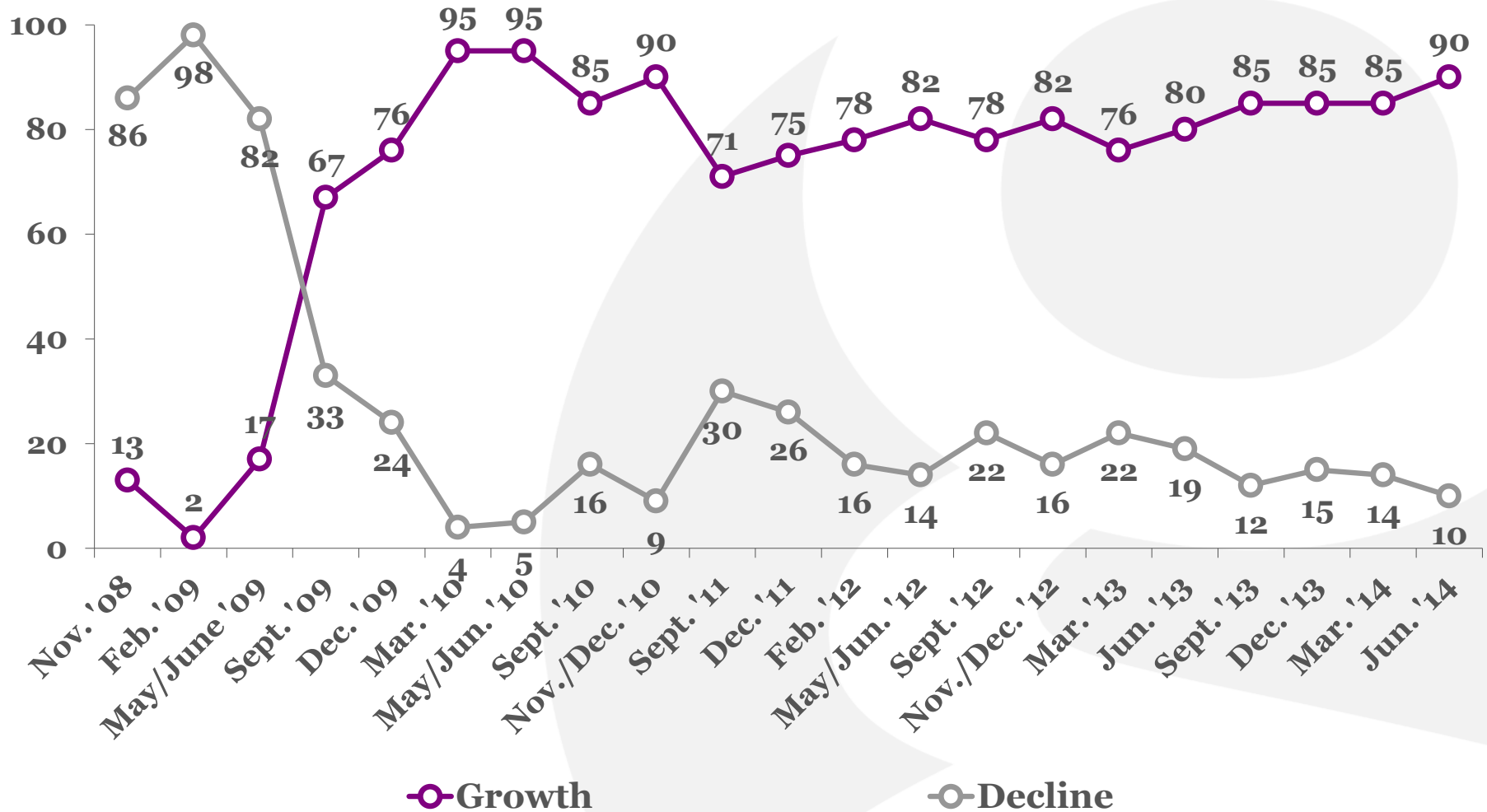


Forecasts For The Economy & Cos.

- ❑ Opinion about the Canadian economy has improved only slightly this quarter.
- ❑ But again this quarter, forecasts are slightly more favourable about growth in the US.
- ❑ When it comes to their own businesses, companies are slightly more optimistic this quarter.
- ❑ Among resources companies, more are reporting strong growth this quarter than last, but a significant number still face serious concerns:
 - 44% of resources companies are predicting strong growth – an improvement over recent quarters' surveys
 - But 17% expect their companies to decline over the next 12 mos.

Current Growth Levels In The Canadian Economy

“Which of the following do you think best describes the Canadian economy at the current time - strong growth, moderate growth, moderate decline, strong decline?” (% saying each)



Expectations of the Canadian and US Economies

“What are your expectations for the **U.S. /Canadian** economy over the next 12 months, strong growth, moderate growth, moderate decline, strong decline?” (% saying each)



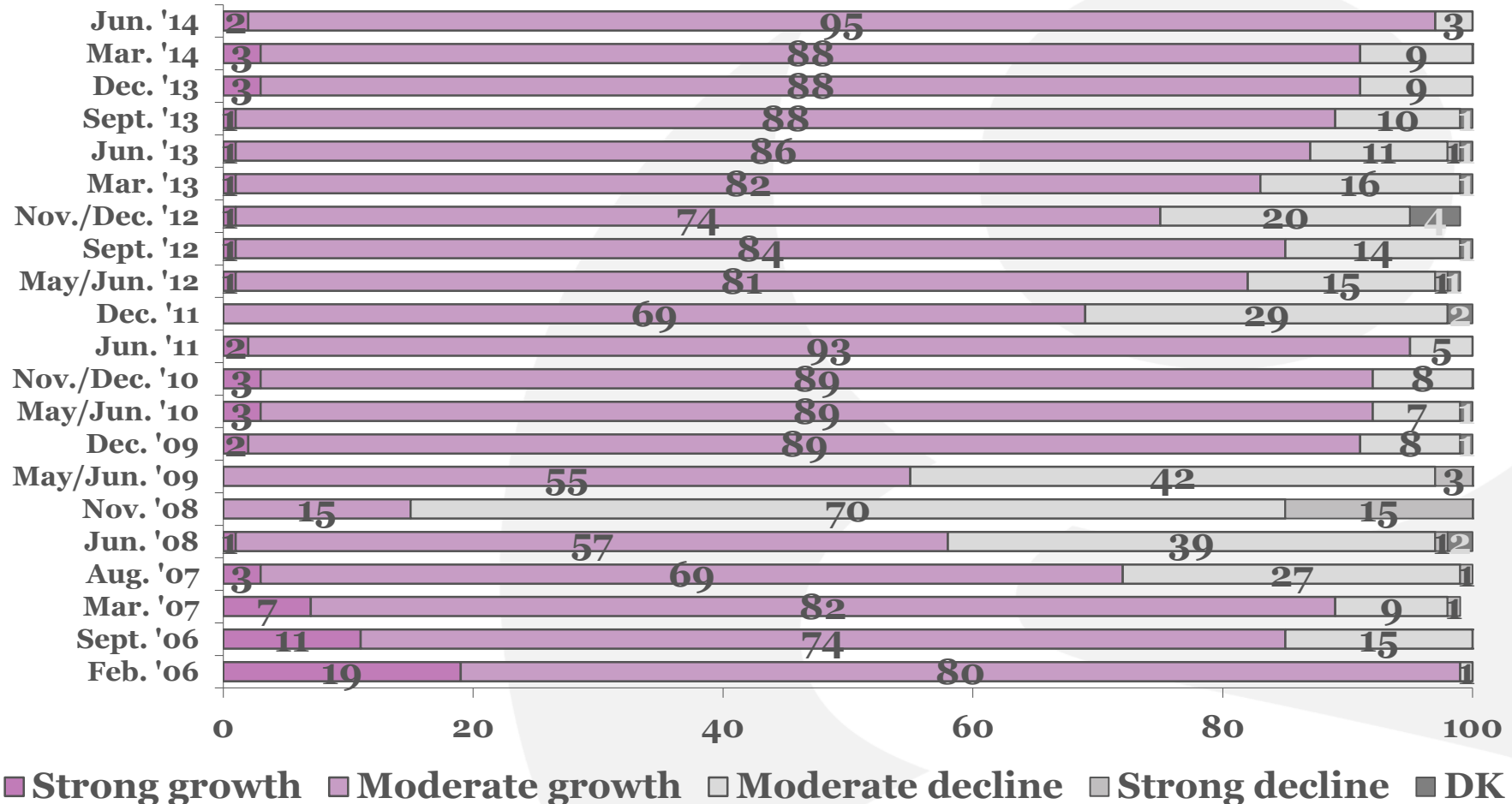
Projections for The US Economy

“What are your expectations for the U.S. economy over the next 12 months, strong growth, moderate growth, moderate decline, strong decline?” (% saying each)



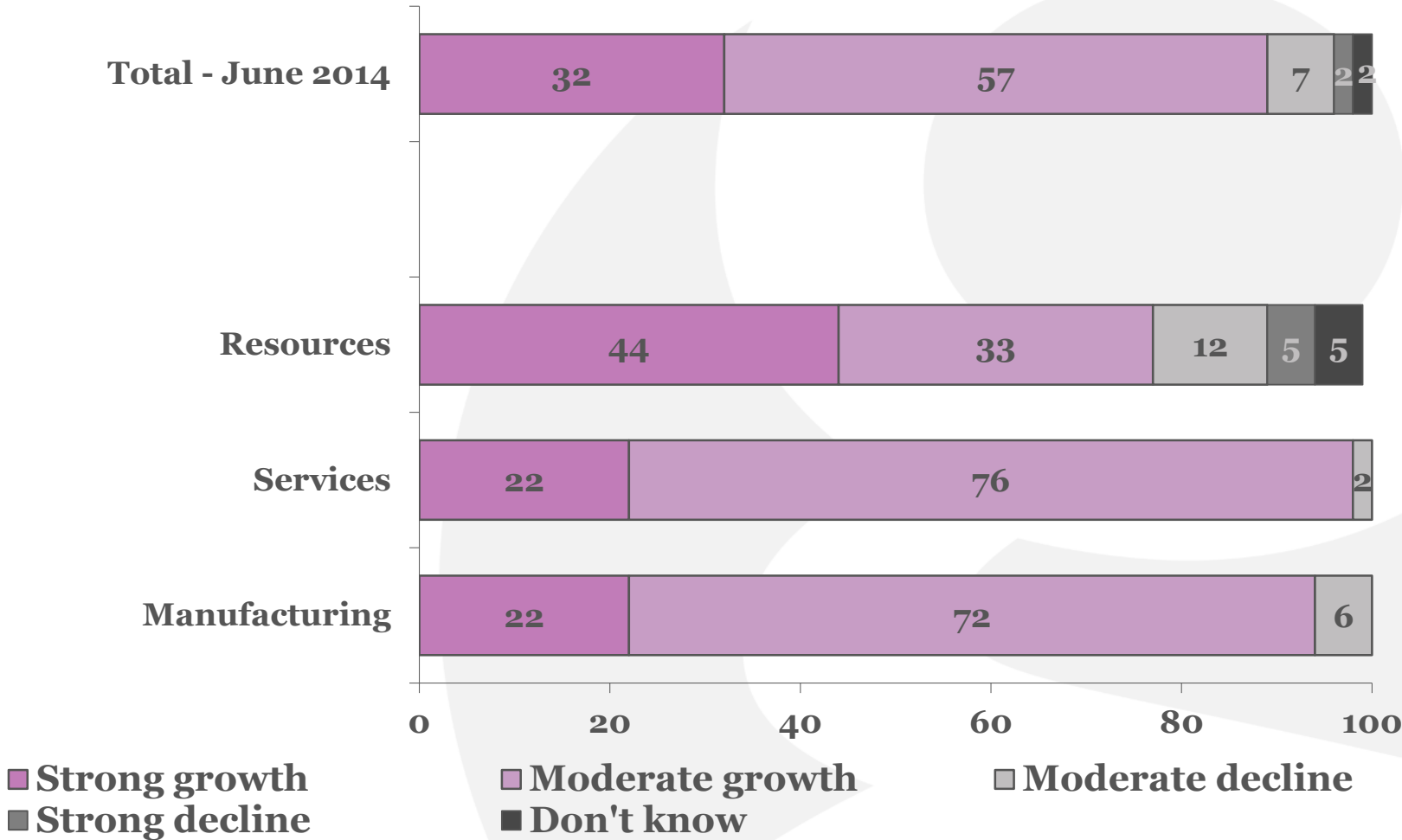
Projections For The Canadian Economy

“What are your expectations for the Canadian economy over the next 12 months, strong growth, moderate growth, moderate decline, strong decline?” (% saying each)



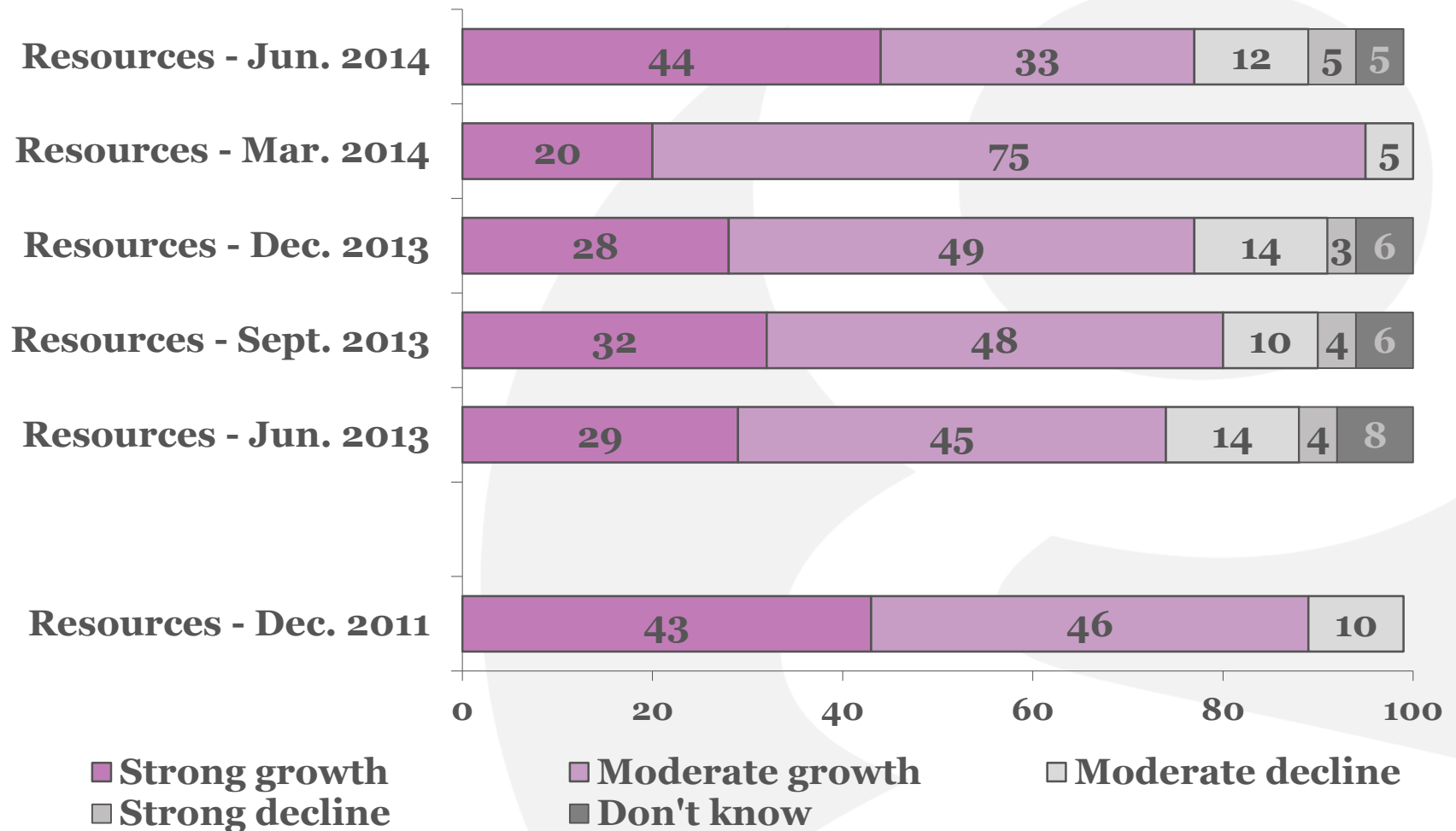
Outlook for Business – June 2014

“What are your expectations for your company over the next 12 months, strong growth, moderate growth, moderate decline, strong decline?” (% saying each)



Recent Outlook for Business - Resources

“What are your expectations for your company over the next 12 months, strong growth, moderate growth, moderate decline, strong decline?” (% saying each)



Projections For Your Company

“What are your expectations for your company over the next 12 months, strong growth, moderate growth, moderate decline, strong decline?” (% saying each)

