

8 Securities Case Study

Reaching out to quality prospects through LinkedIn Marketing Solutions



“LinkedIn has surpassed our expectations in helping us to build our brand in front of a highly-relevant audience, rather than having to spend millions of dollars on traditional mechanisms such as above the line media and outdoor media. It is also driving high-quality accounts to our business and those, in turn, drive revenues and allow us to grow.”

Mikaal Abdulla, Chief Executive Officer, 8 Securities

Building mindshare for new online investing model

8 Securities is a socially-networked trading portal which was set up with the aim of reinventing online investing in Hong Kong and across Asia. Launched at TechCrunch Disrupt Beijing in November 2011, it is helmed by a senior management team with more than 10 years' experience in the financial services industry, many of them with the American securities trading firm E*TRADE.

As a new player in a very traditional market, 8 Securities finds itself competing against very large banks and brokerage firms who already have existing relationships with its target customers. “We have to steal share from existing players. That is the biggest challenge that we have,” said Chief Executive Officer Mikaal Abdulla.

That said, 8 Securities is confident that its value proposition is different and compelling enough to win over mindshare – and market share – amongst its target audience. The portal allows clients to personalise their trading experience, trade in global markets, access global news and research and participate in private social networks where people can share trading ideas, trends and advice.

Challenge

- Build up the brand in a market dominated by traditional banks and brokerage firms
- Reach out to the right target audience of tech-savvy and self-directed investors
- Grow the business in regional and global markets

Solution

- Target video advertisements at relevant LinkedIn audiences to build mindshare
- Target display advertisements at audiences in relevant geographies during the acquisition phase

Why LinkedIn?

- Savvy and affluent audience
- Ability to create a brand presence across the online community
- Ability to target specific geographies and demographics
- Strong global reach

Results

- Click through rates that are 750 per cent higher than that of other online channels
- Better quality engagement, with visitors spending 70 per cent more time on site
- Greater success in converting click-throughs to high-quality accounts

"We are really focusing on people who are tech-savvy and self-directed, people who are willing to do investments on their own rather than go through a broker," said Abdulla.

Reaching the right target audience

Eschewing traditional marketing channels favoured by banks and brokers such as print, billboard and television, 8 Securities dedicated 100 per cent of its marketing budget to online channels. It is exploring mass portals such as Yahoo finance and local financial web sites, but LinkedIn is the only social networking platform that the company is using for its marketing campaigns at the moment.

"We ourselves are online. Our solution is as much a tech solution as it is a brokerage service, and the people who would be interested would be those working in sectors such as media, technology industry, financial services. This makes LinkedIn the perfect place for us to have a presence," said Abdulla.

Another reason for 8 Securities' decision to go with LinkedIn is the latter's global presence. "As we market and grow our business, it is important for us to have partners that are also global," said Abdulla. "We may be starting in Hong Kong but our ambition is to build a global business. That is why LinkedIn is compelling for us. It is a relationship that we fully intend to extend throughout Asia and the United States."

From the early stages of the company's operations, 8 Securities made it a point to be active on LinkedIn. An account is created as part of its on-boarding process for new hires, so everybody that represents 8 Securities is on LinkedIn.

8 Securities also built a Company Page on LinkedIn and has been very active on a daily basis, posting one or two updates a day. It also uses the products page to showcase its offerings and taps on LinkedIn Analytics and Research to get a better picture of what is happening online.

Running a successful video ad campaign

The use of LinkedIn was ramped up significantly when 8 Securities went into marketing mode in March 2012. Building on positive press coverage of its launch in Beijing and of awards that it garnered from TechCrunch and Inc, the company began to focus its efforts on brand building. Viral videos, dubbed the Revolution series, were produced in the form of movie trailers and inserted into LinkedIn pages based on 8 Securities' target demographics.

"The video and rich media advertising has been particularly successful," said Abdulla. The Revolution videos garnered about 50,000 views, which was quite an achievement in a small market like Hong Kong. Even more significant were the click through rates (CTRs) for the advertisements. The CTR obtained from LinkedIn was over 0.1 per cent, compared with the industry standard of 0.06 per cent. For the video banner, it even hit a high of 0.49 per cent, which was a staggering 750 per cent above the industry norm.

Another indicator of the success of the LinkedIn marketing effort was "time on site", which measured not just the number of page views but the length of the time that visitors spent browsing for information on 8 Securities' web site.

"With LinkedIn, we typically get a much higher level of engagement than a mass portal," said Abdulla, who estimated that prospects clicking through from LinkedIn typically spent about 70 per cent more time on the 8 Securities website, compared with those from the mass portals. He attributed this to the quality of the prospects that 8 Securities was able to reach out to through LinkedIn.

Translating quality audience to quality accounts

For the next phase of its marketing efforts, 8 Securities went into acquisition mode with the launch of a campaign targeting the Taiwan, Hong Kong and China markets. During the month-long drive, free shares were given for the opening of an account with 8 Securities. This was promoted via standard and interactive banners on LinkedIn and other online portals.

The campaign got off to a good start, with LinkedIn getting the advertisements up and running within two to three days. If 8 Securities was happy with the service it received from LinkedIn, it was even happier with the quality of the leads generated. "We are having incredible success with our first marketing campaign and LinkedIn has been an instrumental part of that," said Abdulla. "A very important element in an online marketing campaign is what customers do after they click on our ads. With LinkedIn, we see a much higher proportion of ads turn into good qualified accounts as well."

The accounts have also been "substantially bigger" than what 8 Securities was getting through its other channels. "For example, on average, a customer may deposit about US\$10,000 with us but with LinkedIn, we get accounts that average US\$50,000," said Abdulla. "Basically, we have proven that with LinkedIn, online marketing works."

So much so that 8 Securities has even been getting queries from advertising and media agencies wishing to tap on its online marketing experience. "The reality is that Hong Kong is a pretty risk adverse market. From an ad buyers' perspective, people tend to stick with traditional media and have not been open to trying something new. But with the high-quality customers we are getting through LinkedIn, other agencies have begun to show an interest."

8 Securities is tagging the leads generated through LinkedIn and expects to be able to show real revenue and return on investment for the marketing campaign when the statistics have been collated. Abdulla is confident that with LinkedIn, revenues from customers should be able to deliver an ROI of over 300 per cent, double what it is expecting from its other online channels.

