

How Fortune 1000 Companies are Harnessing the Power of Social Media

TOP CORPORATE COMMUNICATIONS EXECS SHARE THEIR BEST PRACTICES



Corporations are stymied by how to monitor brand reputation, respond to crisis and even approach social media. In this dna13 white paper, we'll explore who is doing it right. What are the secrets to their success?

Based on interviews with the best editors and analysts in the U.S., we've uncovered corporate communications executives who "get it."

- *Tips and techniques* from America's largest corporations like Hyundai and the Red Cross on how they find success in the blogger community and online social media.
- *Who thought-leaders believe are the best examples* of corporate responsibility and CRM – without the "hype"? Tips on transparency and authenticity from masters of the web.
- *Survey of top editors* of PRWEEK and PR News about who does social media best! Rose Gordon and Courtney Barnes tell us their views on top shops.
- *Recent information from Forrester Research* on PR automation including quotes from Josh Bernoff, one of America's most prominent and widely quoted technology analysts, on where corporate communications is heading next.

What the Editors are Saying:

PRWEEK

Rose Gordon, News Editor of PRWEEK, believes Coke is the "latest thing" in the social media realm. Having just recently spoken with Coca-Cola, the top SVP of Coke Corporate Affairs believes interactivity will drive business:



Clyde Tuggle, SVP of Corporate Affairs and Productivity at Coke, noted "mass media is declining in importance," when introducing the new department in a memo to staff, which the beverage manufacturer shared with PRWeek. "Our future success depends on our continued ability to connect people to our brands and our company all around the world, one person at a time," Tuggle wrote. "Our new office of digital communications and social media will help us become even more comfortable and effective in these new spaces."

In a recent interview with dna13, Phil Mooney, Director of Heritage Communications (otherwise known as "keeper of the brand") for Coke shared: "Don't be afraid to let your community, not the corporation, take ownership of your brand identity. They can be the customers who form more naturally to develop brand attributes."

Mooney cited the example of the Coca-Cola Facebook community that spawned virally, a result of "two guys in LA who created a fan page." Facebook asked Coke to take-over and manage the Facebook group – as per its policy that brands own their named real estate. Instead, Coke contacted the two group creators and let the fans decide where to take that conversation.

"This Facebook effort was in pure viral form," said Mooney. "Today, our Coke Facebook community has 3 million members. The only larger community out there on Facebook is for Obama for President," he added. Consequently Coke made the decision to "not go corporate" and let the group remain in the fans' hands.

Mooney also cited Coke's social media outreach during the NCAA basketball tournament and its "March Madness" sponsorship as another integrated Coke campaign that harnessed social media networks.

PR NEWS

Courtney Barnes, Editor of PR NEWS, recently hosted a national summit on online media. Barnes has also recently published a book called *Digital Strategies for Powerful Corporate Communications* (McGraw Hill, August, 2009).

PRNews

Barnes believes Comcast to be one of the better corporate communicators. Ernst & Young is also doing a good job on reaching consulting clients and keeping them updated: "More and more brands are using social media to great effect," she said.



"The best examples are the Mars' [Skittles](#) site (for branding and engagement), [Comcast](#) on Twitter (for customer service), [Ernst & Young](#) (using Facebook for HR recruiting) and [Ellen Degeneres](#) (for viewer engagement). Ellen set up a Twitter account and within a few days had 120,000 followers," said Barnes.

"Dell is also on the forefront and its successes have been hard-won," she said. "The company has launched many social media initiatives to monitor media and engage social audiences. IdeaStorm is the epitome of this work. It is a place dedicated to listening and responding to customer ideas, suggestions and even customer complaints."

"IBM has been a leader since the very beginning," said Barnes, PR News. "Their 'jam sessions' are a perfect example of their leadership."

"Twitter is a powerful tool and exploded in popularity," Barnes added, saying "it is a very strategic and inexpensive way to monitor customers and sentiment toward the brand. Comcast, Dell and Starbucks have all turned Twitter into a customer service platform to great effect."

"As always, content will be king," Barnes notes. "So make sure you are giving your audience content they can use to make their personal or professional lives richer. Caring about the customer must be authentic and that's the fiber of the overall brand experience." She said social media is just one more way to communicate that message: "Commit to good content."

ANALYSTS AND PUNDITS

As one Media 2.0 blogger and IMC Strategy Lab director, Rob Hecht, recently noted: "Social media is a commitment, not just a campaign." It must be integrated into the organizational philosophy of the company to be successful. dna13 asked industry analysts to comment.

We talked with Josh Bernoff, Forrester analyst and co-author of *Groundswell*, a book about harnessing the power of social technologies, about his views on who is harnessing social media better than anyone today. Bernoff picked out three:

One lesson on metrics is that tapping into a social community proved four times as effective as traditional brand advertising in reaching a target market.

- *Dell* – “Dell has transformed itself by embracing customer insights in every department”
- *Proctor & Gamble* – P&G’s “Beinggirl” site starts a conversation with teens (and moves on to talk about feminine care products). P&G’s Product Manager, Bob Arnold says: “We own this sort of ‘growing up’ part that people are too scared to touch. We’ve really tried to create a community around that... girls can share their most embarrassing experiences (like what to do when you get your first period).”
- *Best Buy* – using an internal employee social network, Best Buy shares real-time information and tips with its own community.

Brian Solis, Principal of FutureWorks and avid PR 2.0 blogger, writes “a social media manifesto.” Solis’ basic message is that you have to let go of your own agenda and let the community work. “Let go of your message and your social network gate keeping.” Let press releases tell a story and help your search engine ranking.

Corporate Social Responsibility (CSR) and Crisis Management

HYUNDAI’S “HOPE ON WHEELS” PROGRAM

Zafar Brooks, Director of Government Relations and Diversity Outreach at Hyundai, has a refreshing perspective on the value of social media when combined with corporate outreach programs.

The Hyundai “Hope on Wheels” program fights pediatric cancer by funding cancer research programs across the country. Brooks understands the importance of authenticity and relevance in social media outreach, particularly on behalf of corporate charitable programs: “Consumers are more sophisticated now – corporate social responsibility programs are no longer something that is ‘nice’ to do, but it’s expected of the company,” noted Brooks.

“Simultaneously, consumers will smell-out what is not authentic – Hope on Wheels isn’t advertised, but is part of the news we share with our brand loyalists,” he said. “It is a part of our story because it is a part of who we are and what we are about.”

“Social media should be authentic and organic,” Brooks added. “Brand leaders must align themselves with a cause that is consistent with corporate values so they can illustrate their relevancy. Leadership has to establish the priorities around which we stand and make it part of our messaging point.”

Brooks concluded: “All social media should link together with a common objective to develop a program based on who we want to talk to about what we want to accomplish. Social media outreach must be part of a cohesive approach.”

RED CROSS’S SOCIAL MEDIA PROGRAM

The Red Cross engages an online community of donors, volunteers, and other followers by devoting itself to listening, not just responding, to the online conversation: “We have an extensive listening program where we search the internet for mentions of the Red Cross on blog posts, tweets or comments and use that information

HYUNDAI

“consumers will smell-out what is not authentic!”

– Zafar Brooks, Hyundai



to create real change in what we're doing," described Claire Sale, Social Media Specialist for the Red Cross.

"We send a social media update every day to every member of our organization who wants to receive it – from the CEO to the chapter volunteer – so that everyone knows what's occurring in real-time."

"There's no such thing as a social media expert"

– Claire Sale, Red Cross

"Social media is a great early warning system – this is how we hear about changes to our reputation first," Sale added. According to the Red Cross social media team, the response depends upon the conversation. "We're always asking ourselves whether people really want us involved in their discussion," added Sale.

"Even when we do get involved, we offer an ear to the person and become an advocate for their point when going back to the Red Cross," she said. For the most part, the Red Cross communicators use their own existing channels to reach-out with Red Cross news or calls to action – "we only insert ourselves into conversations if we honestly feel we have something positive to contribute," said Sale.

"The key is that there really is no such thing as a social media expert," Sale believes. "We just respond to online conversations with real action. We know that people are saying things out there [about Red Cross], and if the information is incorrect, then we use it as an opportunity to share the truth. People don't just want an answer, they want change."

Red Cross' latest initiative was to create a Twitter poll to get feedback from followers to see, in part, how often supporters want to see new information from the Red Cross.

Sale notes that this is all part of what the Red Cross does to create a community by making messages as conversational and engaging as possible. "We have an interest in what people have to provide, not just what Red Cross contributes," Sale said. "The internet is a narrative and we create a sense of community by sharing personal stories from our supporters and followers."

Domino's YouTube Crisis Response



Crisis communications for large global companies like Domino's require a considered, strategic response – even in the tweeting, blogging, Facebook PR environment. In early April, Domino's communicators were charged with sitting on their hands for 48-hours. Yet an analysis of the day-to-day situation and brand reputation response proves differently. Domino's made the decision to get the facts, segment core constituencies for immediate response, and not "fan the flames" of a brewing online video posting when employees with a webcam besmirched the pizza maker's reputation.

Tim McIntyre, VP of Communications, at Domino's head quarters in Ann Arbor, Mich., believes their first day response was right on. McIntyre and his social media communications team were forced to address the YouTube food safety issue - two employee "yahoos" and "goofballs" (he called them) who stuck pizza cheese up their noses, blew it out on a Domino's sub sandwich, and heated it ready "to go." The prank went down in Conover, NC, population 3,000, on an

Easter Sunday when there was nothing to deliver. McIntyre said the employees maintain that the sub was never served.

“We communicated with our core constituencies,” said McIntyre. “Those who already were exposed to the viral video, customers who complained, store owners. How wide do you send this message? Do you fan the flames so that people go view the first video or search more about it?”

“Do you put out a candle with a firehouse?” asked McIntyre. “Today, the fragmented media gives you no time to fight those fires. I am expected to grab a video webcam, grab my ax, and answer in real-time!”

Three fourths of the U.S. still doesn't know about this YouTube video, he notes. “Sure, it is a big audience,” said McIntyre, “and our first response was to find out who these perpetrators are, where, remove them and then put out the fire. But that does not mean we did not do critical response things in the first 24-hours. The fire was not the web community (advancing the story), the fire was our customer, franchisees and employee groups.”

In the final analysis, McIntyre says “I am proud of our 48-hour response from the video posting – up to our President’s apology. We think companies (including ours) can and should be establishing real, genuine dialogue with people who want to follow them on Twitter or befriend them on Facebook,” said McIntyre. “This is a way to use technology to make the relationship even more personal. Done right, you can create brand ‘ambassadors’ who will:

- Forgive you first when you've made a mistake,
- Help speak on your behalf in a challenging time, and, not to mention
- Buy your products!”

“Do you fan the flames so that people go view the first video or search more about it?”

– Tim McIntyre, Domino’s

STEPS IN DOMINO’S YOUTUBE CRISIS RESPONSE

1. Gather information, ensure food safety, contact health department/ law enforcement
2. Use franchisees and employees as brand advocates
3. Determine which customers are most deeply affected; reach out to segments like the gay community who was hurt by the offensive language used in this viral video
4. Produce a video apology from the company president; tag to offending video

Here are key things experts say marketers can do to quickly catch and respond effectively to similar social-networking attacks:

- **Monitor social media.** Big companies must actively watch Twitter, Facebook, YouTube and other social sites to track conversations that involve them. That will help uncover potential crises-in-the-making, says Brian Solis, a new-media specialist and blogger at PR2.0.
- **Respond quickly.** Domino's responded within hours. "They responded as soon as they heard about it, not after the media asked, 'What are you going to do?'" says Lynne Doll, president of The Rogers Group, a crisis-management specialist.
- **Respond at the flashpoint.** Domino's first responded on consumer affairs blog The Consumerist, whose activist readers helped track down the store and employees who made the video. Then it responded on the Twitter site where talk was mounting. "Domino's did the right thing by reinstating the trust where it was lost," Solis says.
- **Educate workers.** It's important that all employees have some media and social-media training, says Ross Mayfield, co-founder of Socialtext, which advises companies on new media.
- **Foster a positive culture.** Workers who are content and customers who like your product are far less likely to tear down a company online, PR guru Katie Delahaye Paine says. "This would be a lot less likely to happen at places like Whole Foods."
- **Set clear guidelines.** Companies must have clear policies about what is allowed during working hours – and what isn't, Doll says. "It won't prevent everyone from breaking the rules, but at least they'll know what the rules are."

– USA Today, "Domino's nightmare holds lessons for marketers," April 16, 2009

DNA13'S TOP 7 LIST: SOCIAL MEDIA ENGAGEMENT TAKE-AWAY'S FROM THE F1000

1. Create an online community of brand loyalists and take their ideas into consideration (listening to the community comes up most often in polls)
2. Avoid advertising your company's advertising or PR programs—instead, prove their relevancy by providing resources online
3. Make social media part of a cohesive plan; always keep your company's goals in mind
4. Add social media monitoring to your existing monitoring processes as an early-warning system for your company's reputation
5. Create an internal messaging approach and know your FAQ's before ever engaging in online chatter
6. Act as an advocate for the online user in future interactions with your organization, not as a brand ambassador in online conversations
7. If possible, eliminate the need for social media content approval so you can respond more rapidly



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