



Double edged sword of communicating via social media

By James Griffin, Co-founder, SR7

- All organisations, regardless of activity or type, must understand and plan for opportunities and risks presented by social media channels
- Vital to understand information published about your organisation by customers, or by staff online, in order to prepare for media or regulator inquiries
- Long-established principles of customer service also apply to the online environment, so don't just ignore or dismiss criticism out of hand

The internet, and specifically social media, has disrupted the traditional mass media business model, and in doing so, has created vast and wide ranging complications for the modern day executive and board.

On the surface, social media appears to belong solely in the sphere of marketing. However the reality could not be more different. Modern corporate governance must include an understanding of social media and how it is driving change across all industries.

The rush to engage in 'social media marketing' has come at the expense of research, planning and gaining an understanding of the implications of embracing this new medium. The modern communications paradigm poses significant risks to businesses in all industries.

Social media facilitated macro changes like toppling bricks and mortar stores via the growth of online shopping, to challenging the traditional process behind allocation of budgets to call centre operations, supply chain management and other vital business functions.

For example, the plight of the Australian retail industry as it continues to lose consumers to online stores, combined with the closure of multinational chain Borders, is not so much an outcome of social media marketing, but rather an illustration of the impact of a changing digital landscape with social media acting as the engine of this change.

Good governance and risk management sit at the heart of these industry changing issues.

Board members and senior executives must expand their knowledge in this space, taking a hands-on role in navigating their organisations through times of significant change.

The media and its socialisation

In order to fully appreciate the change that social media has brought about, it is vital to explore the impact that is having on the traditional media.

The shift in power away from media conglomerates began in the late 1990s when the ability for the average person to become a publisher in their own right became as easy as the click of a mouse. The previous knowledge and expertise needed to code and program websites to get your 'message' online disappeared as blogs and website forums facilitated conversations that were as easy as writing and email or a document in Word.

Publishing a website was no longer an expensive or drawn out affair, and this newfound ability for the average user to upload, curate and publish content began an explosion in the amount of material available online. This freedom subverted the traditional 'control' and 'command' model that media companies formerly held over the publishing of material on the world wide web.

Key Issues Risk Management

The number one risk for companies and institutions is damage to brand and image. This is despite the global financial crisis and other key changes within the international economy.

Traditional media companies that historically relied upon the publishing of newspapers and print material have since launched blogs of their own and operate news sites mirroring their original flagship publications.

These news sites have an insatiable appetite for content.

Content is costly to generate, and as circulation and revenue falls proprietors and editors turned to contributions from readers and pundits, publishing their material, and in the process incorporating non-journalists directly into the news cycle.

This action has resulted in giving 'citizen journalism' and amateur pundits a seat right beside the column inches of their paid professional journalists and commentator counterparts. This is a huge shift from the days of 'top down' journalism that was essentially a closed shop to the public, who have gone from passive consumers to active content creators in the space of 20 years.

Everybody's doing it now

In 2007 at a forum hosted by Microsoft dedicated to social media and its role in politics, a prominent Canberra-based political journalist sneered at the mention of Twitter and its role in the media. However, today, that journalist enjoys significantly enhanced coverage and influence via social media, specifically Twitter.

Social media has meant that news is no longer gathered exclusively by reporters and journalists but emerges from the 'digsphere'. This is one of the key issues that senior executives should be aware of.

As Mark Jones, Global Communities Editor at Reuters news agency commented, 'The audience isn't on Twitter but the news is on Twitter'.

The *New York Times* now employs a 'social media editor'. Closer to home, the ABC has a journalist dedicated to covering social media for breaking news and events.

Late in 2010, staff in Al Jazeera's Arabic and English newsrooms underwent intense social media training. They completed it just in time, a month before the start of the uprising in Tunisia which in turn sparked off the Arab uprisings, all facilitated by social media.

Somebody's always watching you

The three main uses for Twitter by journalists are to solicit leads, find sources and ask for information. This is a critical development that senior executives must understand and plan for. The digital footprint of your organisation, irrespective of industry, is growing and in large part with thanks to social media. Information can be found on a range of issues from supply chain management performance to competitive intelligence on new products and services.

If your organisation does not understand what information it is publishing online via staff on LinkedIn or what customers are saying, it cannot create or implement a management plan when a journalist calls with a question about a comment in a forum or blog.

But not all publicity is good ... or true

However, this infusion of 'people power' into the media cycle does not mean it is a cyber-utopia. Increasingly, regulatory authorities are also becoming aware of the potential for social media to assist in their roles. There is still a critical role for the verification of facts and the extraction of fact from opinion in the online world. As Twitter co-founder Jack Dorsey comments, 'There still is an editorial function that needs to happen — there still needs to be someone who really makes sense of it all'.

Readers and consumers have become so involved in the news making process that we are now playing a vital role in its distribution. It is now an exception to the rule for a news article, blog, tweet, forum comment to not have the 'share' function as an option for the reader. This 'socialisation' of news and opinion is an

increasing trend with more and more leads to news articles coming from social media sites Facebook and Twitter.

The socialisation of the news, in theory, suggests that the news a consumer will see news via their Facebook newsfeed or Twitter stream this is more relevant than if they were to flick through a newspaper or listen to a news bulletin.

With the rise of the 'citizen journalist', many point out that, in place of well researched stories, we now have a flood of opinion, and this opinion is published easily using social media sites like Facebook and Twitter.

A key consideration for senior executives and boards is whether you like it or not, your organisation, its products, services, industry, staff or latest initiative is being discussed on social media.

These online discussions influence offline behaviour including purchasing decisions. According to Nielsen, nearly 90 per cent of Australians are 'looking to their fellow Internet users for opinions and information about products, services and brands'. Peer-to-peer recommendation via social media engenders a sense of trust that is not as present in traditional advertising.¹

Harness the message

Innovative companies are practising 'social media customer relationship management' to such a successful degree that they are now shifting costs from the outsourced call centre or customer service line to a well

trained social media customer relationship management team.

Facebook has fundamentally changed how people interact; it has redefined the way people share personal information, thoughts and media and, in turn, influence one another.

However the true value of Facebook for an organisation is built in its access to the 'likes' of more than 800 million people. This catalogue of clicks delivers Facebook and its advertisers an unparalleled insight into individual consumer behaviour. This information is then used to drive personalised media and advertising.

According to Aon's Australasian Risk Management Benchmarking Survey the number one risk for companies and institutions is damage to brand and image. Brand and image has held this risk ranking every year since 2007–2008.² This is despite the global financial crisis and other key changes within the international economy.

With countless consumers and community members now being publishers and news distributors in their own right, the ability for activism and brand damage via social media is a key issue for modern day executives to come to grips with.

Managing the new world of social media intelligence

Our ability to collect information is outstripping our ability to analyse and use it effectively,' says Michael Heaney, Assistant Professor of Organizational

Studies and Political Science at the University of Michigan, after studying the antiwar movement and other social causes. As access to technology increases, our capacity to understand and digest the conversations is eclipsed by the sheer volume of information now available to even the most casual user.

To understand the risks and opportunities within social media, decision-makers are increasingly commissioning social media auditing of their corporate brands, products and competitors. This practice illustrates that the senior executive team and board are preparing the organisation for the modern communications paradigm rather than simply relegating 'social media' to the marketing department.

Companies need to determine the correct structures, processes and appropriate resourcing to effectively implement the insights that can be gained by social media data. To establish the appropriate social media architecture and maximise the value from social media intelligence, four keys steps are required.

1. Lay the foundation

- Take stock of social media assets across the organisation. Integrate and coordinate the social media assets to avoid duplication and waste. This will also reduce risks posed by social media assets that are not officially controlled by the organisation.
- Assess internal social media expertise, current social media policies and resourcing and determine what may be required from external actors.

The discussion about social media should not be confined to brand managers and communications professionals. A social media steering committee should be made up of senior executives from all sections of the business

- Develop and implement a social media policy that explains employees' rights and responsibilities online while still allowing professional participation in social networks.
- Determine which brands and business units should have a dedicated social media presence.

2. Determine organisational structures

- Establish ongoing education and sharing of best-practice across business units.
- Define the structural processes to implement insights, address social media risks exposed by social media intelligence and prepare a social media crisis management plan.

3. Allow business units freedom

- With social media policy and crisis preparedness in place, business units should be given the freedom to operate within social media to reach their commercial targets.
- Maintain best-practice sharing throughout the organisation.

4. Enable real-time responses to social media intelligence

- Integrate social media insights into real-time decision-making to enable rapid improvements to marketing campaigns, customer service and community engagement.

Social media as a marketing tool

Nearly every industry publication or professional journal has featured articles about the wonders of social media and how it will do everything from rapidly increase sales to create deeper relationships with your consumers. But hardly anything that has been written is vaguely cautionary or even asks whether social media right for your organisation. Every conference presentation or article about social media suggests that every brand should use it, and that there are no risks associated with the medium and every social media effort will result in achieving (non-existent) business

objectives. Without doubt, social media has undoubtedly changed the modern communications landscape.

However, you should question its use solely for the purposes of marketing and its relevance for many brands. The starting point should be considered research and planning before wildly jumping into social media.

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Handling negative comments about your organisation

Social media is not a cyber-utopia and connecting with brands is a growing and welcome practice. A key function of the social manager is dealing with negative commentary on the corporate Facebook page. While it may appear self-explanatory, most organisations overlook planning for such instances.

Should we delete that post?

The Facebook 'wall' presents itself as the place where users will get an immediate and often genuine snapshot of your organisation and how it is perceived by its 'fans' or followers. If a wall is full of negative commentary or under-attack (like Nestlé, Mattel or BP have been in recent years), it is certainly doing more harm than good.

Being the frontline of social media interaction, the natural response in most events involving negative commentary is to immediately delete it. This approach is fundamentally flawed. And by its very nature, it's not very 'social'.

The appeal of social media is its ability to allow for a relatively engaging and beneficial conversation between the consumer and the entity. In many examples, removing commentary that may be fair criticism adds further fuel to the fire of discontent. Users are then likely to repost the original commentary in addition to letting people know they have been censored.

In addition, there is nothing stopping users from broadcasting this message to their hundreds of friends by a status update or by making a page visible to the entire Facebook universe.

You do not have a monopoly of commentary about your brand, and removing posts that you would rather not deal with can shift them to other locations and increase awareness of the issue. Beware of simply shifting the problem.

It is far better to have grievances published in the managed environment of your corporate page than it is to have online communities created on Facebook, or other platforms, dedicated to illustrating poor service or dissatisfaction.

Taking a step back, perhaps the customer complaint was entirely valid. Innovative companies are now applying traditional customer service methods to their online customer base.

If someone had a legitimate complaint, you wouldn't hang up on them. The approach should be the same on Facebook.

We can't delete it!

Apply real world actions in an online setting. Address the complainant by name, have an understanding but sincere tone giving users the confidence that work is being done to correct the issue and contain links to relevant information where available.

The power of dealing with issues via social media is that it alerts the public to the fact that you as an organisation care and are listening.

If a number of complaints come through in a short time, a wall post reassuring the public that efforts are being made to remedy the problem will go a long way in staving off future complaints about the same issue.

Most issues that happen in the real world are directly transferable to the social media space. So in the event of an event of media attention use pre-emptive action!

If it is clear that an issue will appear in wider media, or that customers will become angry in the short term, getting on the front foot and pre-empting the concerns by using language like 'we expect' or 'it is likely that' will also help to ensure complaints are nipped in the bud.

If you do not have someone in your organisation that is dedicated to managing your social media assets, you certainly should for this reason when in crisis mode.

Handling compliments on social media

Just as it is important to respond to negative commentary, responding to positive commentary is also a key tactic in running a good social media strategy. A significant component of social media is building a more personal and direct connection with your community and stakeholders. It would be wasteful not capitalise on these opportunities.

Users who praise your organisation or products will value an acknowledgement that they have done so. This also helps in fostering stronger relationships with other community members online. Respond by name, be thankful and not at all conceited.

Addressing queries

Social media does play a role in purchasing decisions. Queries will come from consumers who are considering purchasing products or signing up for deals, and there is a good chance your competitors will have been asked similar questions.

Respond in a timely manner and have resources on hand to get the required information.

In addition, commentary on queries can be a handy form of product advertising and will not seem like a shameless plug if a user has directly asked for that information.

Becoming an 'us' and not a 'them'

The most successful pages understand their audience and the wider world events

and issues that affect them. A good way of doing this is by making comments on major public holidays, careful comments in times of hardship, supportive comments at sporting fixtures or even humorous observations. In doing this you position your organisation closer to the consumer and distance yourself from the faceless corporate or bureaucratic stereotype.

It is important to stay professional and objective. However, refrain from making political, religious or otherwise divisive commentary.

Social media has the tendency to be fickle and based around short-term fads. Regular messages will remind users of your presence if they have forgotten about you.

Keeping it family-friendly

It is wise to contain a disclaimer on your landing page discouraging users from using profane or abusive language. This will allow you to remove comments with good reason, so long as it is articulated to the user why it was removed, and will set some unobjectionable ground rules from discussion and interaction.

At the same time you should attempt to gauge the sincerity of the post when making the decision to remove it. If you are gearing more toward adults or the post is generally positive, it may be worth using some discretion.



You can hear a podcast on this topic at www.CSAust.com/podcasts.

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Notes

- 1 Nielsen, 2010, *Fastest growing social media activities in Australia, 2008 to 2009*, 15 March
- 2 Aon, 2011, *Australasian Risk Management Benchmarking Survey*, www.aondigitaltv.com.au/downloads/docs/Aon_RiskSurvey_KeyFindings_Summary050411.pdf [2 November 2011] ■