Social Media 2.0:

Unleashing the power of conversations to achieve business objectives

FEATURING:

Bryce Whitwam, General Manager, Wunderman Shanghai
Nicolas Zurstrassen, Action Sports GM, Nike
Sam Flemming, Chairman & Founder, CIC
Jeremiah Owyang, Partner, Altimeter Group, Silicon Valley, USA
A Framework for Social Media and Corporate Strategy

Sam Flemming sam@cicdata.com
SOCIAL MEDIA IS CORPORATE LEVEL INTELLIGENCE
INSIGHT: MARKET RESEARCH, PRODUCT DEVELOPMENT AND R&D
**THE WORLD’S LARGEST FOCUS GROUP:** Social data comes in massive volumes and is rich in insight

**WEB SOURCED CONSUMER COMMENTS ARCHIVED BY CIC**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Average Monthly Collected Comments</th>
<th>CIC Archived Comments</th>
<th>Approx Unique Consumers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auto</td>
<td>13,000,000</td>
<td>317,488,586</td>
<td>3,200,000</td>
</tr>
<tr>
<td>Mobile phone</td>
<td>8,000,000</td>
<td>184,308,424</td>
<td>14,000,000</td>
</tr>
<tr>
<td>Sports</td>
<td>3,200,000</td>
<td>81,740,371</td>
<td>1,800,000</td>
</tr>
<tr>
<td>Baby care</td>
<td>2,000,000</td>
<td>73,129,805</td>
<td>3,200,000</td>
</tr>
<tr>
<td>Beauty</td>
<td>2,000,000</td>
<td>45,425,648</td>
<td>2,700,000</td>
</tr>
<tr>
<td>Hardware</td>
<td>3,000,000</td>
<td>39,758,732</td>
<td>2,200,000</td>
</tr>
<tr>
<td>Pharma</td>
<td>1,500,000</td>
<td>32,931,308</td>
<td>840,000</td>
</tr>
<tr>
<td>Education</td>
<td>500,000</td>
<td>3,934,147</td>
<td>260,000</td>
</tr>
<tr>
<td>Luxury</td>
<td>500,000</td>
<td>3,447,589</td>
<td>443,000</td>
</tr>
</tbody>
</table>

- **EVERY MONTH:** An average of 60 million consumer comments about brands, products and services collected

- **SINCE 2004:** 1.5 billion online consumer comments with over 3.4 billion identified brand, product and attribute mentions by tens of millions of consumers
INDUSTRY SNAPSHOT: What categories are most discussed?

Beauty Care Category Buzz Q3 2009

- Skin Care: 74.1%
- Make up: 18.5%
- Perfume: 6.3%
- Body Care: 1.0%
- Men Care: 0.1%

Note: Total No. of all categories posts in Q3: 964,070.
BEYOND BRANDS: What else are they talking about in the category?

Top 10 Drivers around IMF, 2008

- Origin: 26.5%
- Marketing Approach: 16.8%
- Formula: 16.4%
- Target Period: 15.4%
- Price: 11.1%
- Side Effect: 10.6%
- Milkpowder Sort: 8.8%
- Purchase Channel: 8.7%
- Crisis: 8.0%
- Package: 6.6%

Total IMF related buzz volume: 205,953 posts

Note: Buzz Incidence refers the ratio of number of relevant posts in total posts.
**PURCHASE DECISION DISCUSSIONS: The anatomy of the funnel**

Purchase Decision Anatomy among Key Brands, Nov.2008 – Jan.2010

Summary:

Compared with category competitors, Brand A owned more advantage in awareness and potential users. With 36.7% firm supports, 28.3% potential users and the largest 23.2% netizens heard of Brand A, the user group own big opportunity to expand.
PRODUCT BUZZ: Understand which models receive the most attention

Magotan ranked highest among the its competitors followed by Accord and Regal

Buzz Volume of Selected Competitors, May 2009

- Magotan: 72,148
- Accord: 69,703
- Regal: 52,866
- Camry: 52,448
- Mazda 6: 49,961
- Reiz: 32,670
- Teana: 26,284
- Passat: 22,102
- Lingyu: 5,392
- Roewe 750: 5,258

Source: CIC Auto Industry practice
MODEL DEEP DIVE: What attribute is driving the buzz?

The exterior buzz of Magotan ranked 1st in May with big volume increase

Magotan main attributes buzz incidence
March – May, 2009

Source: Total buzz of Magotan main attributes: March=33,532 posts April=28,179 posts May=29m010 posts
DIVING DEEPER: What sub-attributes are driving the buzz?

Magotan wheel dominated its exterior buzz and drove the exterior buzz increasing.

Magotan exterior main attributes buzz share
March – May 2009

Source: Total buzz of Magotan exterior: March=4,471 posts April=4,059 posts May=5,352 posts
CONVERSATION ANALYSIS: *What threads are driving the buzz?*

9 out of top 10 Magotan wheel topics were about the wheel wear issue

### Top 10 hot conversation about Magotan wheel
**March – May 2009**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Category</th>
<th>Subject</th>
<th>Reply</th>
<th>Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tire wear</td>
<td>If this problem is not solved, I will fight and complain on the BBS every day.</td>
<td>190</td>
<td>link</td>
</tr>
<tr>
<td>2</td>
<td>DIY</td>
<td>Experience sharing on changing the tires.</td>
<td>184</td>
<td>link</td>
</tr>
<tr>
<td>3</td>
<td>Tire wear</td>
<td>The MT wheel problem has been confirmed!</td>
<td>137</td>
<td>link</td>
</tr>
<tr>
<td>4</td>
<td>Tire wear</td>
<td>Magotan fan club, we know what is causing the wheel wear problem!</td>
<td>135</td>
<td>link</td>
</tr>
<tr>
<td>5</td>
<td>Tire wear</td>
<td>Camry (KMR) is better than Magotan; there is no wheel wear problem.</td>
<td>118</td>
<td>link</td>
</tr>
<tr>
<td>6</td>
<td>Tire wear</td>
<td>Magotan has a tire wear problem.</td>
<td>115</td>
<td>link</td>
</tr>
<tr>
<td>7</td>
<td>Tire wear</td>
<td>Magotan owners, do you accept the explanation of FAW VW given to the 4S stores?</td>
<td>108</td>
<td>link</td>
</tr>
<tr>
<td>8</td>
<td>Tire wear</td>
<td>I am disappointed in the Magotan tire wear issue.</td>
<td>105</td>
<td>link</td>
</tr>
<tr>
<td>9</td>
<td>Tire wear</td>
<td>I have a friend working at VW and he explained the problem and the solution.</td>
<td>104</td>
<td>link</td>
</tr>
<tr>
<td>10</td>
<td>Tire wear</td>
<td>The China Association for Quality has begun an investigation into the Magotan tire wear issue.</td>
<td>104</td>
<td>link</td>
</tr>
</tbody>
</table>
MAGOTAN WHEEL ISSUE: FAW-VW’s feedback to this issue led to netizens’ more fierce complaints

Magotan wheel wear issue: Lots of Magotan owners found their cars’ wheel wear quickly

Owners hoped this problem could be fixed

FAW-VW answered this problem was normal

Netizens extended their complaints impact

望17DZ重视广大车主权益，莫让大家伤心！/ I hope FAW-VW could pay attention to the owner’ right(Link)

希望可以解决问题/ Hope this problem could be fixed(3)

一汽大众已正式下发文件给全国的4S店，告知各4S店迈腾啃胎是正常现象/ FAW-VW released document to its all 4S stores: Magotan wheel wearing was a normal phenomenon. (3)

所以我认为我们大家一起闹起来，直到这个迈腾论坛的吵闹，影响新车的销售才会停息！/ I think all of us should complained together, until our complaint impact the sales of Magotan(3)
SOME OBSERVATIONS:

- Social media as consumer insight— the world’s largest focus group; *opinions for learning*

- Social media as media— *opinions as influence*
INSPIRATION: MARKETING IDEATION
NETIZENS ARE INHERENTLY CREATIVE

俯卧撑 (push up) – it’s none of my business
MARKETERS AND ARTIST ALIKE ARE INSPIRED
...AND MORE MARKETERS...

Net Creativity

Reebok creates an online application allowing netizens to “DIY” their own shoe.

Net Cartoon

Tuzki is used as Moto Q’s spokesperson to emphasize its youthfulness and its built in MSN.

Net Star

“Big Brother” Nicole participates in high profile offline Lancôme events and road shows.
SOME OBSERVATIONS:

• Social media as a trend watch

• Social media as an opportunity to be a part of the trend-- *Don’t make a splash, but rather, ride the wave*

• Social media for both *big wins* (Pepsi PCC) and *small wins* (Nike)
INNOVATION: CAMPAIGN AND MEDIA PLANNING
## SOCIAL ‘MEDIA PLANNING’

<table>
<thead>
<tr>
<th>Rank</th>
<th>Site &amp; Forum</th>
<th>+ Post</th>
<th>Conversation</th>
<th>Participation</th>
<th>Passion</th>
<th>Creativity</th>
<th>Interactivity</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Pconline</td>
<td>↓ 242,056</td>
<td>29,132</td>
<td>20,534</td>
<td>11.79</td>
<td>0.81</td>
<td>8.31</td>
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<tr>
<td>2</td>
<td>ZOL笔记本论坛</td>
<td>↑ 233,799</td>
<td>49,860</td>
<td>32,963</td>
<td>7.09</td>
<td>0.77</td>
<td>4.59</td>
</tr>
<tr>
<td>3</td>
<td>本友会</td>
<td>↓ 91,054</td>
<td>12,608</td>
<td>19,565</td>
<td>4.68</td>
<td>0.89</td>
<td>7.3</td>
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<tr>
<td>4</td>
<td>PCINFLIFE</td>
<td>↓ 71,922</td>
<td>6,478</td>
<td>8,332</td>
<td>8.83</td>
<td>0.91</td>
<td>11.1</td>
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<tr>
<td>5</td>
<td>PCPOP.COM</td>
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<td>12,651</td>
<td>6,206</td>
<td>4.04</td>
<td>0.62</td>
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<td>天鹅群乐</td>
<td>↑ 15,021</td>
<td>4,326</td>
<td>1,779</td>
<td>6.98</td>
<td>0.76</td>
<td>3.32</td>
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<td>7</td>
<td>eNet 礼区笔记本</td>
<td>↓ 11,000</td>
<td>2,436</td>
<td>4,450</td>
<td>2.49</td>
<td>0.60</td>
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<td>8</td>
<td>同想笔记本</td>
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<td>1,069</td>
<td>3,479</td>
<td>2.97</td>
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<td>9</td>
<td>赛迪网社区</td>
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<td>0.79</td>
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<td>10</td>
<td>本本网</td>
<td>↓ 5,706</td>
<td>561</td>
<td>2,514</td>
<td>2.3</td>
<td>0.51</td>
<td>6.02</td>
</tr>
</tbody>
</table>

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Confidential
DATA CAN BE MORE THAN EYEBALLS; IT CAN BE INTERACTIONS

Top 5 Hottest Sports Related Sites Buzz Overview Q1, 2009

CPR (Conversation Participation Rate), the higher the rate is, the more passionate the netizens are to take part in the conversations.

Date Base: Total post number of sports sites, Q1 2009
WHERE IS YOUR BUZZ? WHERE IS YOUR COMPETITORS? WHERE SHOULD IT BE?

<table>
<thead>
<tr>
<th>Site</th>
<th>Brand A</th>
<th>Brand B</th>
<th>Brand C</th>
<th>Brand D</th>
<th>Brand E</th>
<th>Brand F</th>
<th>Brand G</th>
<th>Brand H</th>
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</thead>
<tbody>
<tr>
<td>Taobao</td>
<td>23.3%</td>
<td>10.5%</td>
<td>14.0%</td>
<td>27.7%</td>
<td>9.1%</td>
<td>30.9%</td>
<td>17.3%</td>
<td>23.6%</td>
</tr>
<tr>
<td>Yoka</td>
<td>13.2%</td>
<td>10.6%</td>
<td>12.0%</td>
<td>12.0%</td>
<td>15.0%</td>
<td>17.0%</td>
<td>25.9%</td>
<td>14.8%</td>
</tr>
<tr>
<td>Sohu</td>
<td>11.5%</td>
<td>23.6%</td>
<td>20.4%</td>
<td>13.0%</td>
<td>17.3%</td>
<td>16.6%</td>
<td>21.8%</td>
<td>15.0%</td>
</tr>
<tr>
<td>Pclady</td>
<td>9.8%</td>
<td>0.7%</td>
<td>0.2%</td>
<td>0.4%</td>
<td>0.8%</td>
<td>0.4%</td>
<td>1.5%</td>
<td>0.2%</td>
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<tr>
<td>Trends</td>
<td>8.6%</td>
<td>30.2%</td>
<td>9.0%</td>
<td>17.4%</td>
<td>6.4%</td>
<td>6.6%</td>
<td>9.2%</td>
<td>14.5%</td>
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<tr>
<td>Onlylady</td>
<td>7.1%</td>
<td>4.3%</td>
<td>6.3%</td>
<td>5.9%</td>
<td>17.5%</td>
<td>7.4%</td>
<td>5.6%</td>
<td>7.5%</td>
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<td>Netease</td>
<td>6.8%</td>
<td>6.0%</td>
<td>3.2%</td>
<td>8.3%</td>
<td>13.5%</td>
<td>4.3%</td>
<td>3.0%</td>
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<tr>
<td>Tianya</td>
<td>8.7%</td>
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<td>7.7%</td>
<td>6.2%</td>
<td>4.7%</td>
<td>8.4%</td>
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<tr>
<td>Rayli</td>
<td>4.7%</td>
<td>2.7%</td>
<td>8.5%</td>
<td>3.7%</td>
<td>3.7%</td>
<td>2.6%</td>
<td>3.2%</td>
<td>2.7%</td>
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<tr>
<td>Baidu</td>
<td>3.1%</td>
<td>1.0%</td>
<td>15.5%</td>
<td>1.3%</td>
<td>5.9%</td>
<td>0.4%</td>
<td>1.5%</td>
<td>1.4%</td>
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<tr>
<td>Sina</td>
<td>2.0%</td>
<td>1.4%</td>
<td>1.1%</td>
<td>1.1%</td>
<td>0.3%</td>
<td>5.3%</td>
<td>1.7%</td>
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<tr>
<td>QQ</td>
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<td>0.4%</td>
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<td>0.3%</td>
<td>0.6%</td>
<td>2.1%</td>
<td>0.5%</td>
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<tr>
<td>Vogue</td>
<td>0.4%</td>
<td>0.4%</td>
<td>1.3%</td>
<td>1.1%</td>
<td>1.9%</td>
<td>1.3%</td>
<td>1.7%</td>
<td>0.0%</td>
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<tr>
<td>Ellechina</td>
<td>0.3%</td>
<td>0.5%</td>
<td>0.2%</td>
<td>0.4%</td>
<td>0.5%</td>
<td>0.4%</td>
<td>0.6%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Mop</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Note: The highlighted figures are the top 3 site contributor of each brand’s Whitening buzz
SOME OBSERVATIONS:

• Social MEDIA: *measuring eyeballs*

• SOCIAL media: *measuring interactions*

• Social media “buy”:
  – “grabbing the floor” and sampling
  – “sec-kill”/private sales activities
EXECUTION: Campaign & Launch
CAMPAIGN MEASUREMENT: Track and compare your campaigns buzz

DRINKS BRAND A Campaign I & II Buzz Performance Comparison
(Aug 24th – Oct 24th)

<table>
<thead>
<tr>
<th>Day</th>
<th>Campaign I</th>
<th>Campaign II</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day 1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Day 15</td>
<td>200</td>
<td>300</td>
</tr>
<tr>
<td>Day 29</td>
<td>400</td>
<td>500</td>
</tr>
<tr>
<td>Day 43</td>
<td>600</td>
<td>700</td>
</tr>
<tr>
<td>Day 57</td>
<td>700</td>
<td>800</td>
</tr>
<tr>
<td>Day 71</td>
<td>800</td>
<td>900</td>
</tr>
</tbody>
</table>

Total Buzz Volume

<table>
<thead>
<tr>
<th>Campaign</th>
<th>Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campaign I</td>
<td>6,378</td>
</tr>
<tr>
<td>Campaign II</td>
<td>6,840</td>
</tr>
</tbody>
</table>

Unit: post

Note: Both two campaign data source were from SERA
CAMPAIGN MEASUREMENT: Understand which parts of the campaigns generated the most buzz

Campaign I Buzz Volume by Content Category (Aug 24th – Oct 24th)

- Prize: 684 posts
- Celebrities: 425 posts
- TVC: 248 posts
- Region: 115 posts
- Submit/Vote: 59 posts

Compared with other attractive elements, prizes especially QQ yellow diamond was mentioned most by netizens.

Data Base: Total posts of Campaign I = 6,840 Aug 24th – Oct 24th
ENGAGEMENT: INFLUENCER AND ADVOCACY
MAPPING OUT INFLUENCE: Clusters of interests led by nodes of influence
DIGITAL INFLUENCE: Pinpointing different elements

Passion (PR)

Participation (Users)

Creativity (TCF)

Interactivity (CPR)
**TRANSPARENT COMMUNICATION: “Olay Queen” inspires real buzz**

Sample reply mentioned Olay Queen:

QUEEN的贴一定要顶，没有理由。
*(Link)* / Fully support all the posts of Olay Queen

厉害啊OLAY QUEEN再评点下新生面膜吧*(Link)* / Olay Queen, you are so great!

Do you have any comment on Regenerist Mask?

现在对大红霜狂爱，全是QB种下的草，所以以上问题QB一定要回答哦*(Link)* / Now I have great interest in Regenerist cream, which totally influenced by Olay Queen. So Olay Queen, you must answer all my questions

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Note: Total posts of Olay on Trends in Q4 2008: 7,759
BRAND EQUITY: ONGOING TRACKING
TRACK BRANDS BUZZ OVERTIME: By tracking brands buzz overtime, we can use it as a KPI

Monthly buzz trend of Chevrolet and other main brands, Jan. 2008- Nov. 2009

Data Source: CIC Automobile Data Panel, including hot and representative automobile online communities
PINPOINT REASONS BEHIND SPIKES: Cruze is driving S-GM’s increase (increased digital spend)


Data Source: CIC Automobile Data Panel, including hot and representative automobile online communities
TRACK BRAND IMAGE: What are most associated terms around the brand?

BAL for Selected Auto Brands Nov. 2009

Note: Please find the BAL introduction here
ASSOCIATIONS LEAD TO INSIGHT: Though sometime surprising

Subject: 大庆市北方汽配大众4S店车商拼了，竟然叫美女车模脱光走秀
Daqing Beifang VW 4S store asked models to show naked

Netizens couldn’t believe it was true
• 首先应该是PS的，它样的一幅，没道理的
Firstly, this should be modified by Photoshop.
• 光光不太可能吧，PS过的。It’s unlikely to be naked, the pictures must be modified by Photoshop.

Netizens expressed angry to VW
• 人至贱则无敌！车怎能与假装艺术的色情相列？大众搞这难道是说自己要卖婊子车吗
It is too vulgar! How can car be mentioned with eroticism in the same breath?
• 垃圾，这还是大众的品味吗？
Rubbish, is this still the taste of VW?

Finding and implication:
The vulgar activity may generate huge attention in a short time, but it will hurt the brand image in the same time. So brand should give the guide line of marketing promotion to 4S stores or other partners to avoid hurting brand image by unsuitable activity.
REPUTATION MONITORING: Timely tracking also essential for quick response

3 days before Consumer Day

Quote: HP accused of selling dodgy laptops

Comments: Many negative articles regarding HP graphics card issue
NETIZENS ORGANIZING THEMSELVES: Chinese have a long history of banding together to strengthen their voice.

Key finding:
Huge quantity of consumers are concerned.

Consumers organizing themselves

Consumers organize class action law-suit

Angry HP consumers on street

Outside HP Service Office
Consumers to show their anger
“consumers hurt by HP’s flickering screen”

Outside China HP Tower
HP is socially irresponsible

148365.com (法易网) organized lawyers holding the news release conference
SOME OBSERVATIONS:

• Social media monitoring: *PR/issue focused vs. ‘social CRM’ focused*
KEY TAKEAWAYS:

• For social media as corporate strategy, technology is necessary but not sufficient
• Social media is MR, PR, CRM, digital, media, creative inspiration, HR, competitor intelligence...
• Because it is all of these, it is more than all of these.
• Ultimately, social media solutions should be applied at the corporate level to ensure proper application across the entire organization (no silos)
• Corporate level solutions require a comprehensive social strategy
KEY TAKEAWAYS (2):

“To be successful, a firm must prepare and align internal roles, processes, policies and stakeholders with their business objectives. Social business is a profound change that impacts all departments in the organization.”

Jeremiah Owyang/Altimeter Group
OUR BLOGS:
www.seeisee.com (Chinese)
www.seeisee.com/sam (English)

OUR WEBSITE:
www.cicdata.com

CONTACT US:
info@cicdata.com

Thank You

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Social Strategy: Getting Your Company Ready

May 27th, 2010

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Companies Jump Into Social
Yet Most Companies Fail to Plan Properly
Many companies do not engage with their customers

ENGAGEMENTdb ranked the world's most valuable brands based on how they leverage social media to interact with customers.

Source: http://www.engagementdb.com
Many companies like the idea, but do not fully execute
Get Ready Internally First

- **Physiological**
  - breathing, food, water, sex, sleep, homeostasis, excretion

- **Safety**
  - security of: body, employment, resources, morality, the family, health, property

- **Love/belonging**
  - friendship, family, sexual intimacy

- **Esteem**
  - respect by others

- **Get Ready Internally First**
  - morality, creativity, spontaneity, problem-solving
To be successful using social technologies, companies must first prepare and align internal roles, processes, policies and stakeholders with their business objectives. Social business is a profound change that impacts all departments in the organization.
Agenda

- Getting Your Company Ready
  - Research
  - Planning
  - Resources
- Social Readiness Checklist and Scorecard
- Questions
Getting Your Company Ready
Customer profile

Demographics

Psychographics

E.g. Where are moms online?

E.g. Who are moms influenced by?

Source: “Digital Mom,” RazorFish and CafeMom, 2009
Socialgraphics

1. Where are your customers online?
2. What are your customers’ social behaviors online?
3. What social information or people do your customers rely on?
4. What is your customers’ social influence? Who trusts them?
5. How do your customers use social technologies in the context of your products.
Engagement Pyramid

Map out how your customers social behaviors online in order to determine what technologies to deploy.
Community pain points

Communispace customer communities allow marketers to gain insights from their own customers.
Brand Monitoring Firms Offer Ability to Listen
Market analysis

Companies should constantly measure what competitors are doing in the social space. Here are some examples in the hotel industry that can be added to a chart of industry assets.
Current social audit

- What is your company currently doing in the social space? What are employees doing? Product team, field, and support?

- Identify internal experts by hosting brown bag lunches where anyone can share what they are doing in the social space.

- Tip: Don’t relegate social media to Gen Y just because they use it for personal use.
Processes
Crisis response plan

So that you may not have to suffer like we have: DO NOT EVER BUY A MAYTAG. I repeat: OUR MAYTAG EXPERIENCE HAS BEEN A NIGHTMARE.

Many of you reached out to us via Twitter and/or Facebook to express concern about the incident details that we posted. We are not silent about the occurrence, you also should be involved in this experience and address his concerns.

As soon as we saw the first tweet from Mr. Smith, we took action and found the public at his Facebook experience and address his concern. This situation has received a lot of public attention and discussion on our company and its reputation.

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Social media triage

Do you want to respond?

Assess the message

Evaluate the purpose

Unhappy Customer?

Are the facts correct?

Are the facts correct?

Dedicated Complainer?

Comedian Want-to-Be?

Is the problem being fixed?

Take reasonable action to fix issue and let customer know action taken

Does customer need/deserve more info?

Gently correct the facts

No

Yes

No

Yes

No

Yes

No

Yes

No

Yes

No

Yes

No

No

Yes

No

Yes

No

Yes

No

Yes

No

Yes

No

Yes

No

Yes

No

Yes

No

Yes

No

Yes
Organizational Models
Centralized

- One department controls all efforts
- Consistent
- May not be as authentic
- e.g. Ford
Organic

- Organic growth
- Authentic
- Experimental
- Not coordinated
- e.g. Sun
Coordinated

- One hub sets rules, best practices, procedures
- Business units undertake own efforts
- Spreads widely around the org
- Takes time
- e.g. Red Cross
Multiple hub and spoke or “Dandelion”

- Similar to Coordinated but across multiple brands and units
- e.g. HP
Holistic or “Honeycomb”

- Each employee is empowered
- Unlike Organic, employees are organized.
- e.g. Dell, Zappos
Policies
Disclosure/ethics policy

From Walmart Elevenmom’s disclosure policy:

“Participation in the Walmart Elevenmoms program is voluntary. Participants in the program are required to clearly disclose their relationship with Walmart as well as any compensation received, including travel opportunities, expenses or products. In the event that products are received for review, participants may keep or dispose of product at their discretion.”
Intel updates its Social Media policy regularly (last in March 2010) and offers tips and pragmatic rules of engagement such as “Be transparent,” “Be judicious,” and “Write what you know.”
Community policy

SeaWorld sets boundaries on its blog for readers. For example, SeaWorld asks for favorite park experiences and tips, and will not post “foul or offensive language.”
Internal education

Host brown bags, invite external speakers to talk, and promote memberships in organizations like Social Media Club or Social Media Business Council, as seen here. Internal training is important to organizational change.
Communication and collaboration

Sites like Yammer, Socialtext and Socialcast offer lightweight ways for staff to share insights and best practices internally. Telligent is a more robust enterprise-level tool.
Resources
Key roles

- **Social strategist***:
  - Responsible for the overall program, including ROI.
  - There may be multiple strategists at each spoke.

- **Community manager**:
  - Customer facing role trusted by customers.
  - Companies may have dozens of community managers.

*Look out for our research paper on the role of the Social Strategist later this year.*
Agencies

- Test to see that they focus on relationships, not campaigns.
- Ask when they failed at social media – and what they learned.
  - Hire only agencies with “scar tissue.”
- Leverage agencies and have them train you in all things social.
  - Enable fast, concerted entry into the market.
- Be wary of agencies wanting to craft your strategy – only you can do that.
Customer advocates

BIG Announcement: The Domestic Diva is one of eleven moms chosen to participate in Wal-marts Money Saving Community Project.

That is right, the Domestic Diva (aka ME) has been chosen as one of the eleven Moms that will be the official Guru's of Money Saving Tips for the Wal-mart Money Saving Community Project. With our provided (elver to use) Filo cameras and YouTube we are hoping to share our knowledge of money saving tips across the Internet.
Stakeholders

- **Executives:**
  - Approval to move forward, budget, allocate resources

- **Communications:**
  - What new skills will they need to learn and unlearn?

- **Employees:**
  - How will they be educated, armed, and supported?

- **Legal:**
  - Protect employees and corporation by co-creating policies and guidelines
Reporting

Web analytics

Community analytics
Thank you

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About Us

Altimeter Group is a Silicon Valley-based strategy research and consulting firm that provides companies with a pragmatic approach to disruptive technologies. We have four areas of focus: Leadership and Management, Customer Strategy, Enterprise Strategy, and Innovation and Design.

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