

# Social media for corporates: essential channel or unnecessary distraction?

a **Precise**.exchange

Helen Dunne shares the insights from a lively morning panel discussion



## **PAUL CHARLES** CHIEF OPERATING OFFICER, LEWIS PR.

Social media is not, by any means, a distraction. It is very much another channel for communication leaders to use and an essential part of the toolkit. But it shouldn't be treated as some unusual thing.

The ash cloud crisis is the most recent example where consumers have benefited from social media channels. It was an opportunity for customers to say to airlines *What are you doing about it? How are you going to keep me informed? I'm stuck. How are you communicating with me?* It's the most vivid example of how social media plays a critical role. Basically, consumers will not blame the airlines for the ash cloud crisis. It's an act of God. It just appeared. It hasn't been turned on as part of a government policy somewhere. It's just emerged and there may be another one on the way. But they can blame the airlines for not communicating well enough during the ash cloud crisis.

You should be using Twitter as a crisis communications tool. What would you do if you were a car-hire firm and suddenly some rip-off story came out on *Watchdog* about the fees you charge? If you have a Twitter channel set up effectively and use it properly, you should be in control of the story. You should be responding, getting ahead of it and using it effectively as another customer service channel.

At Virgin Atlantic, we had a nightmare scenario when 17 staff went on Facebook, obviously without our permission, and started talking about passengers. They called them chavs. They spoke about the cleanliness, or not, of the planes. They talked about the fact that the planes might have been a bit old. They were staff talking out on Facebook as if they were talking on some sort of internal channel. This happened about three years ago and we didn't know what to do. This was all new stuff to us. So HR led the way and they fired them. When I look back, we treated it in the wrong way. Control is so 20th century. I don't think you can control your staff using Twitter and Facebook channels anymore. They're democratic. Even politicians use them these days. Let them use it within guidelines and set out new contract clauses.

It is about having an open shop window. There is nothing worse than going to a brand to find their Twitter and Facebook sites have two followers and no content or no site at all. Why tarnish your brand by not having an open shop window? We live in a 24/7 world. We should be available at all times.

[Global HR company] NorthgateArinso recently announced a takeover in the US and, knowing their audience was very small, used Twitter and Facebook to create a whole new brand, mostly for internal purposes, to unite staff very urgently. They didn't have time to build an intranet site so they used external capabilities to unite the workforce around the world.

**PETER MORGAN**  
**DIRECTOR OF COMMUNICATIONS**  
**ROLLS-ROYCE**

There are three things I would plant in your minds. This is nothing to panic about. You want to use this stuff in its place and warily. And, perhaps the most important one, is be very, very cautious about PR consultants bearing shiny new products.

I was communications director at BT for five and a half years. I've been communications director at Rolls-Royce for about six months. I don't think there is a single example where social media has impacted directly on the reputation or share price of either of these significant organisations.

If a subject gains traction in the social media domain, if it is important, it very quickly feeds into the mainstream press. And when the *Daily Mail* phones to tell you that you've got a problem, you know you've got a problem. There is a self-alerting mechanism.

For decades, there have been people in pubs all around Britain saying how much they hate BT or how frustrated they are with Virgin Atlantic or whatever. The fact that they now spout their opinions on a social networking site doesn't make them any more important or more alarming.

I'm deeply suspicious of this early warning idea. In most consumer organisations, the time taken between this becoming a good social media story and this becoming a good online news story and the *Daily Mail* being on the phone is minutes. I think that it is a waste of money to invest in online tracking systems for social media alerting you to problems. Every problem that has come across my desk has travelled too fast for that early warning system to be of help to me.

Your company website is of critical importance. When deciding how to deploy resource, you would be rash to deploy social media at the expense of a principal corporate website. The oldest communications tool of all is frequently ignored. A few people at airports telling people what was going on [during the ash cloud crisis] would probably have been better for airlines' brands than people shut in a bedroom in Cleethorpes responding to Twitter.

**NEVILLE HOBSON**  
**HEAD OF SOCIAL MEDIA EUROPE, WCG**

In my view, social media means listening to what others are saying online and it is a tremendous listening tool. But social media collectively provides a huge amount of data and therein lies part of the problem. You are bombarded with this stuff all the time. How do you make sense of it? How did you know what to pay attention to, what not to pay attention to? It requires a shift in our own thinking on how we view media traditionally and what this whole new environment is all about. It's different. It requires a different way of thinking. It's not about one-way communication. It's not about getting the information out in a different way to the audience. It's about forming new connections, or rather connections in different ways with the people we're interested in. It's about the nuances of niche networks.



Above: Peter Morgan,  
Rolls-Royce



Right: Paul Charles,  
Lewis PR



*'The fact that people now spout opinions on a social networking site doesn't make them any more important or alarming'*



One of the values of Twitter and Facebook in particular (though, YouTube also comes into this) is as an early warning system to something that might be building before it hits the mainstream. If we are paying attention to who is saying what about the things we're interested in, it gives us the means to make some decisions maybe hours if not days ahead of something building.

It is about knowing who is talking about you online and who is, in a sense, influencing opinions about your brand. It is about understanding how people search, the results of which relate to your brand. It is also about providing real time intelligence to people in your organisation who need it. So you extend the front end, which is data received from your social media engine, into developing tools that deliver the analysed results of that to other people in the organisation in an instant in the way they like to receive this content. You lack part of the jigsaw puzzle if you don't follow this parallel universe.

Twitter is not the only game in town but it has got huge awareness. Only seven per cent of the online population in America use Twitter but everybody knows about it. You wouldn't manually check Twitter to see who is saying something but you would have that set up in a monitoring tool to provide some sort of sensible data that can be interpreted. If that gives information that is no use then either you are not using it the right way or it is not a channel that you should be using at all.

There is no manual for this. Everybody is trying to figure this out. Nobody is an expert. The great thing is that everybody is sharing their learnings.

When people buy things online, 99 per cent of their time is spent researching – which typically means asking people who they know what they think of Brand X or looking at reviews online. When people click to make their purchase they have made that decision based on what their friends say.

**GEORGINA WALD, CORPORATE COMMUNICATIONS MANAGER, DOMINO'S PIZZA UK & IRELAND.**

I'm fascinated at the obsession with Twitter. We've got 28,000 Facebook fans and less than 300 followers on Twitter; I think that speaks volumes.

If I pick up a tweet from someone who's having a really bad time in one of our stores, I can turn them round. I get a real kick out of that. I really like the instant reaction that you get.



Above left:  
Neville Hobson, WCG;  
Helen Dunne, CorpComms;  
Peter Morgan, Rolls-Royce

Above: Georgina Wald,  
Domino's Pizza



The biggest issue for communicators is resourcing Facebook and Twitter. No organisation has immediately said, *Oh, we've now got 24-hour communications, we'd better put in 24-hour staffing.* I spend a lot of time at the weekend and in the evenings trying to monitor it.

If your customers are heavy Facebook users, you cannot ignore this. We have an affiliate programme on Facebook, so you can actually put an order from me on your page. Your friends order through that link onto our site, and you actually get some money. It's a tiny, tiny percentage but it builds brand loyalty.

In a crisis, trying to talk to people individually on Twitter is not as good a use of time as looking at what the questions are and answering them on the company website.

Your fans on Facebook start to deal with your critics. Somebody will complain about price, for example, on a Facebook page and immediately below somebody will respond and say *Why don't you get lost? Complaining about £2 on a pizza!* They answer each other and say all the things that you would like to say and know that you can't because it would be irresponsible. ☹

For further details on Precise services, please contact **Marcus Gault** on **020 7264 4778** or email **marcus.gault@precise.co.uk**

To register for future Precise Exchange events, please email **exchange@corpcommsmagazine.co.uk**

# Tips from the masters.

**Georgina Wald,**  
corporate communications  
manager, Domino's Pizza  
UK & Ireland

1. Respond quickly - social media is about the here and now, not the yesterday and last week
2. Be honest - you will be found out and lies spread faster through the Internet than the truth
3. Respond in the language of your audience - they won't stand for marketing bullshit. These people are fans not clients and you need to show that you empathise with them
4. Only remove comments if you have to - getting a reputation for ignoring the bad bits won't get you very far, but you can have standards on decency of language and relevance to the audience
5. Know what your audience wants to be told about - they like what you can do for them, not what you can do for the City or your suppliers, focus on providing content they would want to share with their own friends and followers

**Paul Charles,**  
chief operating officer,  
Lewis PR

Social media matters because...

1. Integration – the lines between promotional mix are blurring
2. Disintermediation – the number of channels open to organisations is expanding
3. Acceleration – the speed of communications has never been faster
4. Content – it's more than just two words
5. Globalisation – brands need a unified voice, not just across channels, but borders

**Neville Hobson,**  
head of social media  
Europe, WCG

Social media matters because...

## **Increasing importance of word-of-mouth on consumer purchasing behaviour**

WCG research shows that when a customer makes a purchase, online or offline, that is the smallest and quickest step he or she takes in the overall purchasing process

And the role and influence of the brand owner in the purchasing process? None at all, unless the brand owner has built up a credible and genuine presence online and created a connection with the consumer

## **Social media amplifies and accelerates word-of-mouth, rapidly shaping and influencing opinion**

99 per cent of all consumer purchasing behaviour online is research – finding out what others think about Brand X, reading product reviews, asking questions on social networks... all the activities that involve active word-of-mouth engagement with other people online

By the time the consumer takes the final one per cent step and actually makes a purchase, decisions and expectations about that brand have already been made, shaped and influenced by the consumer's peer network and online community

What you need to know

- Who the influencers are
- Your 'share of conversation' versus 'share of voice'
- Where conversations that matter are occurring
- How news is shared and by whom
- Issues before they become mainstream
- The right keywords that drive search
- Who to follow or friend
- Content your customers care about
- Who is defining your brand, pro or con

What you can do right now

1. Listen – know your customer's world online with precision. No guesswork
2. Learn – make it easy to have all news at your fingertips
3. Focus on actionable insights – what exactly can inform your strategy
4. Identify who drives share of conversation – know the exact rank order of each influencer online
5. Expand your reach with a clear focus – launch a new way to add value and engage with your customers and communities