

It's (Already) Time to Rethink Social Media

By Kimberly Edwards, Product Marketing Manager, Engagement Solutions, OpenText

It's not THE strategy—it supports a strategy as a driver of business value. It's how and where your customers talk about your brand. And it's changing the way we work.

Facebook, Twitter, blogs, communities, live casting, listening platforms and countless other communication vehicles have worked their way into the conversation—and processes—of business over recent years. From the onset, organizations realized that they needed to do *something* with this stuff called social media, but many struggled (and still do) to figure out what “it” is.

Early endeavors involved approaches ranging from “wait it out until others have shown the way,” to “let’s go full steam ahead and see what happens.” Needless to say, we saw mixed results.

The good? Innovative and immersive methods for engaging customers, pioneering listening posts that introduced new ways of connecting and responding to consumers; transformational tools that drove operational efficiency; and novel avenues that created an entirely new channel for customer support, storefronts for revenue generation and targeted marketing.

Take mobile device accessory maker Zagg, for example. From the start, Zagg established customer communities, blogs, a mobile friendly storefront, a Facebook presence and other social media vehicles to not only sell product but to gather, and act on, feedback. They even use Twitter to direct-message customers to keep them up to speed on order status (“Your order #12345 has just left our shipping dock”).

The bad? Consumer “outreach” campaigns that went horribly wrong, support channels that were unresponsive, unusable or just plain lousy, and communities that were irrelevant, inactive and generally gave customers—and employees—a bad experience.

And that’s another thing about the immediacy and reach of social media: Customers can not only easily share their experience, they can share it *now* and with an audience of potentially millions. According to a recent Harris Interactive poll, some 78% of online consumers will

share their negative experience with others, while nearly three quarters say that reading a negative experience influences their decision to do business with a brand.

Out With the New; In With the Newer

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Even though most organizations have been using social media tools for some aspect of their business for two to three years, most say that a steep learning curve has yet to be overcome where understanding and effectively using it is concerned. Worse, a woefully low segment indicates that they are doing it well in terms of leveraging multiple social media channels to achieve specific business objectives.

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The *Harvard Business Review* analytic services team recently surveyed more than 2,000 companies about the use of social media in business, and a somewhat shocking two-thirds indicate that they continue to struggle with understanding how to leverage the tools in their organization. This is in stark contrast with the just over 10% that say that they



Kimberly Edwards

Kimberly Edwards has been with OpenText since 2000. She has spent the last nine years specializing in GRC areas such as records management, search, internal controls and collaboration. Her past roles have included CDN government sales for records management solutions, product specialist for records management, program manager for collaboration and most recently product marketing manager for collaboration, social media and portal technologies.

“get it”—that they are using social tools and achieving stated goals. (For purposes of this article we won’t discuss the 10% of surveyed companies that believe “...social media for business purpose is a passing fad.”)

So where does this leave organizations? Is it really necessary to head back to the virtual whiteboard and discuss what they should, and need, to be doing?

In short, yes... In *Social Media: Embracing the Opportunities, Averting the Risks*, Russell Herder and Ethos Business Law found that more than 80% of businesses are investing in social media for “brand building.” Well, the *Harvard Business Review* survey found that 75% of companies say they don’t know where their most valuable customers are talking about their brand. If a company doesn’t know where to find its audience, brand building will be a tough, if not entirely impossible, task.

Three Pillars of Social Media

Progressive organizations—those 5% in the “best practices” category that have the ability to integrate social media into their marketing activities—are taking a three-step approach: 1. monitor; 2. react; 3. respond. In doing so, they are achieving some pretty remarkable things, like garnering the ability to turn a negative experience (a brand detractor) into a positive one (a brand advocate) 80% of the time through effective use of social media.

Pillar 1: Monitor—who’s saying what about your brand (and where)?

Companies have a vested interest in knowing who is talking about them on social media channels and what they are saying, not to mention understanding how their own social media efforts are perceived. As with any aspect of business where analytical tools are applied, there can be a good deal of debate around what things are valuable to analyze in social media. Disturbingly, with half of organizations

surveyed by eMarketer indicating that they are not even aware of social media analytic tools, the debate might not have started.

So what should we be analyzing and monitoring? Social media analytics, the term used to describe “tools used for measuring, analyzing and interpreting the results of interactions between brands and consumers across digital channels,” is a broad kit that covers everything from basic usage tracking and mentions on various social outlets, to advanced multi-channel reporting solutions capable of linguistic, contextual and filtering.

For most organizations, establishing sound analytical capabilities for “customer sentiment analysis” is a great (and achievable) first step. Customer sentiment analysis involves tools that gather information about the topics and opinions, whether positive or negative, and commentary, whether accurate or inaccurate, that appear in social media conversations.

By implementing customer sentiment analytics, organizations gain insight, begin understanding where their most valuable customers are talking about them and filter out the noise across blogs, wikis, social networks and other social media outlets.

Pillar 2: React—talk with your customers, not at them. Once organizations understand who is talking about them and where they are talking about them, they can build a channel to establish two-way conversations and not just push brand and marketing messages. A recent study, *Business of Social Media*, from Cone Inc., found that more than 90% of consumers expect some form of social media presence from the brands they do business with. Another 55% state that they want to interact with companies using social media tools rather than email or telephone. More importantly, close to 60% of consumers “felt a stronger connection” with brands that interacted with them using social media tools.

So how can organizations get on the boat; reach out, connect, engage and “humanize” their brand. A great starting point—beyond the stock Facebook page, YouTube channel, Twitter feed, corporate blog and so on—is to establish a customer community. In doing so, organizations create a sense of “exclusivity” for their customers and make it easier for the customer to interact with the brand. For organizations, establishing a customer community offers a controlled environment for carrying out conversations and fostering relationships with their customers and their partners. It makes it easier to monitor what is being said, and most importantly, react to what is being said in a much simpler fashion than they can with public social media channels.

Take The Stelter Company, a leader in planned giving marketing communications for nonprofit organizations, for example. The Stelter Company established Bestow, a community for gift planning professionals. Bestow offers community members a place to share and evaluate ideas, engage in peer-to-peer networking, start conversations with Stelter thought leaders and gain insights from others. Prior to Bestow, The Stelter Company was left to traditional marketing avenues, but with it, they have realized a significant uptick in “inbound” traffic. In sum, they have transformed the customer relationship from a one-way, push flavor, to a meaningful, conversational and mutually beneficial one.

Pillar 3: Respond—you hear your customers. Now what? So you have found your customers, know what they are saying, and maybe even established a community where you’ve begun getting some level of control over this thing called social media. Now what?

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Not only is social media about establishing meaningful conversations (not just communications) with customers, it is about improving response levels and the quality of the overall customer experience. Achieving this takes more than just tools and techniques. It takes a real commitment from the organization and participation at all levels. The trouble is that many organizations have policies that preclude participation from staff that are actually best suited to respond to customers. Still, more than 45% of large organizations block staff use of public social media tools. In certain sectors, such as investment advisory firms in financial services, it is actually illegal for certain departments to communicate with

other departments using messaging or any other social media tool.

Does this mean that these organizations are doing nothing with social media? Are their customers doomed to phone conversations and other one-to-one forms of communication? The good news is “no”; even organizations with strict bans on public social media can capitalize on the opportunities it represents. “Business-ready social media” solutions—those that ensure compliance with regulatory mandate and corporate policies while offering the rich, intuitive and immediate communication aspects of public tools—are being adopted as part of holistic content management and social media for business strategies.

The advantages of an enterprise social media platform are twofold:

1. Organizations gain control over the social conversation between their business and customers, thereby strengthening brand consistency and customer service quality standards; and
2. They empower the individuals inside the company who are best suited to react and respond to customers without the security and compliance issues associated with public networks.

A bonus of aligning a social media solution with broader content and knowledge management strategies for the enterprise is that organizations can address the growing demand among users to leverage social media as a way of working. Beyond requiring it to interact with customers and partners, employees are rapidly shifting to social media as a preferred method of communicating with colleagues, sharing ideas, collaborating around projects and carrying out processes and workflow steps.

By delivering enterprise-class social media applications that can extend to customer use cases for the Web, intranet and extranet scenarios, such as a social platform from OpenText, organizations can rapidly apply social media to existing team collaboration and content and knowledge management solutions to capitalize on the opportunities of social media while averting the risks it may pose.

Organizations that want to harness social media to improve customer experiences, build loyalty, increase “wallet share,” establish new revenue channels and reduce costs—all value points generated by its use—must assess and rethink their current approach. Regardless of their findings, they will make a sound choice by deploying enterprise-class social media applications that provide an all-in-one answer for how to monitor, react and respond to their customers. ■