

Dave Evans with Jake McKee

Foreword by Susan Bratton, CEO, Personal Life Media, Inc.

# Social Media Marketing

*The Next Generation of Business Engagement*





## Praise for *Social Media Marketing: The Next Generation of Business Engagement*

*“Social media has become a primary tool for higher levels of fan engagement, directly driving lead generation through interaction and content sharing that is especially relevant to media companies. Social Media Marketing: The Next Generation of Business Engagement deconstructs the tools and techniques, showing you how to apply social technology to your business.”*

—JOHNI FISHER, CEO, Looppa, Buenos Aires

*“Innovation is not a one-way street where you walk alone! Take your customers on the journey, and see the difference. Social technologies, clearly explained in Dave’s book, enable you and your customers to work as a team.”*

—KAUSHAL SARDA, Founder, Uhuroo, Bangalore

*“Rigorous, measurable quality improvement is critical for getting social media and word-of-mouth working for your business. Dave’s book highlights quality programs that work, and shows you how to implement them in your business.”*

—JEFF TURK, CEO, Formaspace, Austin, TX

*“What’s so appealing about social media is its power to reach not just one consumer at a time, but a huge network of friends through the open graph. Businesses must learn to do this or risk losing their connection with consumers altogether. Social Media Marketing: The Next Generation of Business Engagement shows you how.”*

—ROGER KATZ, CEO, Friend2Friend, Palo Alto, CA, and Barcelona

*“Dave provides a practical approach for leaders who want to harness the power of social media to cost-effectively transform their business and catapult themselves ahead of the competition. At the same time, Social Media Marketing: The Next Generation of Business Engagement is extraordinary because it is a fun, genuine, and inspiring resource that sets a new standard for social media insights.”*

—IAN GILES, Vice President, Strategic Services, Thindata 1:1, Toronto

*“Dave takes social media from concepts and theory to concrete, simple steps that make it easy to implement social technology in your business.”*

—MARCO RONCAGLIO, Director of Online Marketing, Personal Care, Philips Consumer Lifestyle, Amsterdam

*“Purchase decisions are now influenced by complex networks of friends, family, and peers. The new market winners will be the companies that excel at identifying and engaging with their customers’ influencers across the Social Web.”*

—PAUL MAY, Founder and CEO, BuzzStream, Austin, TX



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Business Engagement

**Dave Evans**

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# Social Business Fundamentals

*Arriving at Bengaluru International Airport in India in June 2009, I found my checked bags on the luggage carousel within seven minutes. Wow! I tweeted that. Leaving Seattle in April 2010 I discovered that I'd mistakenly requested a flight on Wednesday, but showed up on Tuesday expecting to fly home to my son's Little League game in Austin that evening. Continental Airlines made it happen, without charge, in less than 30 seconds. Wow! I wrote a blog post about that. This is social business in action: Running your organization in a way that generates the conversations you want. Read on to find out how these businesses did it, and how you can too.*

I

- Chapter 1 **Social Media and Customer Engagement**
- Chapter 2 **The New Role of the Customer**
- Chapter 3 **Build a Social Business**
- Chapter 4 **The Social Business Ecosystem**



# Social Media and Customer Engagement

*Given the visible impact of Web 2.0 in marketplaces around the globe—or more correctly, the marketplace of the globe—social technology is now considered a “given” in business. So many have assumed that social media and a presence on the Social Web are “must haves” that a sort of land rush to build communities and create brand outposts in places like Facebook and Twitter has resulted, too often without fully understanding the long-term organizational impact and the business opportunity that these efforts—done in a systematic manner—actually offer. This chapter tackles the basics of what makes social business work.*

# 1

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## **Chapter Contents**

The Social Feedback Cycle

The Social Web and Engagement

The Operations and Marketing Connection

## The Social Feedback Cycle

For a lot of organizations—including business, nonprofits, and governmental agencies—use of social media very often begins in Marketing, public communications, or a similar office or department with a direct connection to customers and stakeholders. This makes sense given that a typical driver for getting involved with social media is a slew of negative comments, a need for “virality,” or a boost to overall awareness in the marketplace and especially in the minds and hearts of those customers increasingly out of reach of interruptive (aka “traditional”) media. In a word, many organizations are looking for “engagement,” and they see social media as the way to get it.

The advent of Web 2.0 and the Social Web is clearly a game-changer, on numerous fronts. Given the rush to implement, and the opening focus on marketing specifically versus the business more holistically, many “social media projects” end up being treated more like traditional marketing campaigns than the truly revolutionary ways in which a savvy business can now connect with and prosper through collaborative association with its customers. As a result, the very objective—engagement, redefined in a larger social context—is missed as too many “social media campaigns” run their course and then fizzle out.

Whether that’s right or wrong is another matter, and the truth is that a lot of great ideas have given rise to innovative, effective, and measurable social business programs. But these are still the exceptions, which is unfortunate as social technology is within the reach of nearly everyone. The collaborative technologies that now define contemporary marketplaces—technologies commonly called “social media,” the “Social Web,” or “Web 2.0”—offer a viable approach to driving changes in deeper business processes across a wide range of applications. There is something here for most organizations, something that extends very much beyond marketing and communications.

This chapter, beginning with the Social Feedback Cycle, provides the link between the basics of social media marketing and the larger idea of social technologies applied at a “whole-business” level. As a sort of simple, early definition, you can think of this deeper, customer-driven connection between operations and marketing as “social business.”

Beginning with the emergence of Web 2.0 technologies—the set of tools that make it easy for people to create and publish content, to share ideas, to vote on them, and to recommend things to others—the well-established norms of business marketing have been undergoing a forced change. No longer satisfied with advertising and promotional information as a sole source for learning about new products and services, consumers have taken to the Social Web in an effort to share among themselves their own direct experiences with brands, products, and services to provide a more “real” view of their research experience. At the same time, consumers are leveraging the experiences of others, *before* they actually make a purchase themselves. The impact on marketing has been significant, to say the least.

Figure 1.1 shows the classic purchase funnel, connected to the Social Web through “digital word-of-mouth” (aka social media). This loop—from expectation to trial to rating to sharing the actual experience—is now a part of most every purchase or conversion process. Whether consumer-facing, B2B, for-profit or nonprofit, people are turning to people like themselves for the information they need to make smart choices. These new sources of information are looked to by consumers for guidance alongside traditional media; advertising and traditional communications are still very much a part of the overall marketing mix. The result is a new vetting that is impacting—sometimes positively, sometimes negatively—the efforts of businesses and organizations to grow their markets.

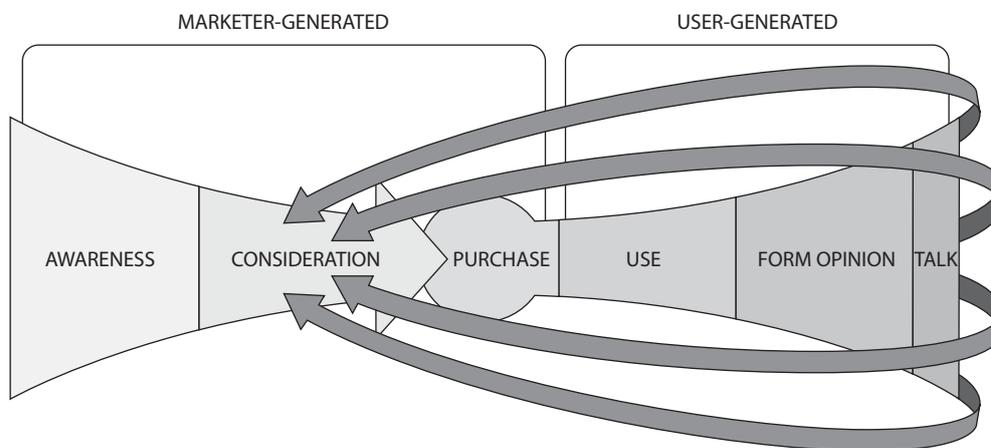


Figure 1.1 The Social Feedback Cycle

### Open Access to Information

The Social Feedback Cycle is important to understand because it forms the basis of social business. What the social feedback loop really represents is the way in which Internet-based publishing and social technology has connected people around business or business-like activities. This new social connectivity applies between a business and its customers (B2C), between other businesses (B2B), between customers themselves, as is the case in support communities and similar social applications, and just as well between employees.

As such, this more widespread sharing has exposed information more broadly. Information that previously was available to only a selected or privileged class of individuals is now open to all. Say you wanted information about a hotel or vacation rental property: Unless you were lucky enough to have a friend within your personal social circle with specific knowledge applicable to your planned vacation, you had to consult a travel agent and basically accept whatever it was that you were told. Otherwise, you faced a mountain of work doing research yourself rather than hoping blindly for a good

experience in some place you'd never been before. Prior to visible ratings systems—think Yelp.com here—you could “ask around” but that was about it, and “around” generally meant “nearby,” friends, family and perhaps colleagues

The travel agent, to continue with this example, may have had only limited domain expertise, lacking a detailed knowledge of rental versus hotel properties, for example. This knowledge, or lack of it, would be critical to properly advising you on a choice between renting a vacation property and booking a hotel. Austin's Homeaway, which brings tens of thousands of rated and reviewed vacation properties within a click of booking, has built an entire business around empowering consumers looking for vacation rentals as an alternative to hotels and resorts, a market that itself only blossomed post-Internet 1.0.

Even more to the point and beyond the issue of specific knowledge, an intermediary in a transaction may or may not have *your* best interests in mind when making purchase recommendations. The same certainly applies to a company or organization wanting to sell you something. This has long been an issue—correctly or incorrectly—that has dogged pharmaceutical and insurance sales: Is the recommendation based on the needs of the customer, the incentive offered by the drug's manufacturer or insurance underwriter, or some combination? From the consumer's perspective, the difference is everything.

At Progressive Insurance, where I worked for a number of years as a Product Manager, we implemented a direct-to-consumer insurance product as an alternative to policies sold through agents. We created this product specifically for customers who wanted to take personal control of their purchases. This made sense from Progressive's business perspective because the degree of trust that a customer has in the sales process is critical to building a long-term *trusted* relationship with its insured customers. While many insurance customers have solid and long-standing relationships with their agents, it is also the case that many are seeking additional information, second opinions, and outright self-empowered alternatives. This reality is now commonplace across a range of businesses, and it is driven by the choice that easily accessible, web-based information brings.

Where information beyond what was provided to you at or around the point of sale was relatively difficult to access only 10 years ago, it is now easy. Look no further than the auto sales process for an indication of just how significant the impact of scalable, connected self-publishing—ratings, blog posts, photo and video uploads—really is. It is this access to information and the opinions and experiences of others, along with the outright creation of new information by consumers who are inclined to rate, review, and publish their own experiences that is driving the impact of social media deeper into the organization.

### **Social Business: The Logical Extension**

Social business follows right on the heels of the wave of interest and activity around social media and its direct application to marketing: Social business is the logical extension of

social technology throughout and across the business. Social business takes social concepts—sharing, rating, reviewing, connecting, and collaborating—to *all* parts of the business. From Customer Service to product design to the promotions team, social behaviors and the development of internal knowledge communities that connect people and their ideas can give rise to smoother and more efficient business processes. Social business—viewed in this way—becomes more about change management than marketing. That’s a big thought.

Take a step back: Social media marketing—properly practiced—seeks to engage customers in the online social locations where they naturally spend time. By comparison, social business picks up on what they are talking about and what they are interested in and connects this back into the business where it can be processed and used to create the next round of customer experiences and hence the next round of conversations.

It’s important to understand the role of the customer—taken here to include anyone “on the other side” of a business transaction: It might be a retail consumer, a business customer, a donor for a nonprofit organization, or a voter in an election. What’s common across all of these archetypes—and what matters in the context of social business—is that each of them has access to information, in addition to whatever information you put into the marketplace, that can support or refute the messages you’ve spent time and money creating.

But, as we say, “Wait. There’s more.” Beyond the marketing messages, think as well about suggestions for improvements or innovation that may originate with your customers: As a result of an actual experience or interaction with your brand, product, or service, your customers have specific information about your business processes and probably an idea or two on how your business might serve them better in the future.

Consider the following, all of which are typical of the kinds of “outputs” a customer or business partner may have formed after a transaction, and will quietly walk away with unless you take specific steps to collect this information and feedback:

- Ideas for product or service innovation
- Early warning of problems or opportunities
- Awareness aids (testimonials)
- Market expansions (ideas for new product applications)
- Customer service tips that flow from users to users
- Public sentiment around legislative action, or lack of action
- Competitive threats or exposed weaknesses

This list, hardly exhaustive, is typical of the kinds of information that customers have and often share amongst themselves—and would readily share with you if asked. Ironically, this information rarely makes it all the way back to the product and service policy designers where it would do some real good. Importantly, this may be

information that you don't have, information that precisely because you are so close to your business you may never see. Collecting this information and systematically applying it is in your best interest.

For example, someone may find that your software product doesn't integrate smoothly with a particular software application that this customer may also have installed. How would you know? This information—and the ensuing pleas for help expressed in online forums—is something you can collect through social analytics (tools and processes). It can then be combined with the experiences of other customers, as well as your own process and domain knowledge, to improve a particular customer experience and then offered generally as a new solution. This new solution could then be shared—through the same community and collaborative technologies—with your wider customer base, raising your firm's relative value to your customers in the process and *strengthening your relationship* with the customers who initially experienced the problem.

The resultant sharing of information—publishing a video, or writing a review—and its use *inside the organization* forms the stepping-off point from social media marketing and social analytics into social business. From a purely marketing perspective—as used here, meaning the MarCom/advertising/PR domain—this shared consumer information can be very helpful in encouraging others to make a similar purchase. It can enlighten a marketer as to which advertising claims are accepted and which are rejected, helping that marketer tune the message. It can also create a bridge to dialog with the customer—think about onsite product reviews or support forums—so that marketers can understand in greater detail what is helping and what is not.

Prior to actually making process changes, this listening and information gathering—treated in depth in Chapter 6, “Social Analytics, Metrics and Measurement”—falls under the heading of “more information” and so drives a need for enhanced social analytics tools to help make sense of it. It's worth pursuing. Access to customer-provided information means your product or service adapts faster. By sharing the resulting improvement and innovations while giving your customers credit, your business gains positive recognition.

Although customers can provide an invaluable source of information, you should be aware of the impact anonymous—and often negative—comments can have. It is imperative to understand the role of your customer as both a recipient and publisher of the content that circulates on the Social Web. Is a specific voice within a conversation that is relevant to you coming from an evangelist, a “neutral,” or a detractor? It is important that you know. Is it coming from a competitor or disgruntled ex-employee? The same holds true: You need to know, so that you can plan your response. While the overall trend on the Social Web is away from anonymity and toward identity, it's not a given—at least not yet—that any specific identity has been verified. This means you need to dig deeper.

This persistent anonymity opens the door for “comment and rating abuse,” but social media also provides for a general raising of the bar when it comes to establishing

actual identity. More and more, people write comments *in the hopes that they will be recognized*. With this growing interest and importance of actual identity, in addition to marketplace knowledge, social business and the analytical tools that help you sort through the identity issues are important to making sense of what is happening around you on the Social Web. Later sections tie the topics of influencer identification and the use of the “social graph,” the inner working of the linkages that connect people and the status updates that tell you what they are doing now, into business formally. For now, accept that identity isn’t always what it appears, but at the same time the majority of customer comments left are done so for the dual purpose of letting you know what happened—good or bad—and at the same time letting you know that it happened to someone in particular. They signed their name because they want you (as a business) to recognize them.

“As people take control over their data while spreading their Web presence, they are not looking for privacy, but for recognition as individuals. This will eventually change the whole world of advertising.”

ESTHER DYSON, 2008

### **Social Business Is Holistic**

When you combine identity, ease of publishing, and the penchant to publish and to use shared information in purchase-related decision-making processes, the larger role of the Social Feedback Cycle and the practice of social business emerges: Larger than the loop that connects sales with marketing—one of the areas considered as part of traditional Customer Relationship Management (CRM)—the Social Feedback Cycle literally wraps the entire business.

Consider an organization like Freescale, a spin-off of Motorola. Freescale uses YouTube for a variety of sanctioned purposes, including as a place for current employees to publish videos about their jobs as engineers: The purpose is the encouragement of prospective employees—given the chance to see “inside Freescale”—to more strongly consider working for Freescale. Or, look at an organization like Coca-Cola: Coke is reducing its dependence on branded microsites in favor of consumer-driven social sites like Facebook for building connections with customers. Coke is also directly tapping customer tastes through its Coca Cola Freestyle vending machines that let consumers mix their own Coke flavors. Comcast and many other firms now use Twitter as a customer-support channel. The list of examples of the direct integration of collaborative and shared publishing applications in business—beyond marketing—is growing rapidly.

I explore all these applications of social technology in business in greater detail in subsequent chapters. For now, the simple question is, “What do all of these applications have in common?” The answer is, “*Each of them has a larger footprint than*

*marketing.*” Each directly involves multiple disciplines within the organization to create an experience that is shared and talked about favorably. These are examples not of social media marketing, but of social business practices.

Importantly, these are also examples of a reversed message flow: The participation and hence marketplace information is coming *from* the consumers and is heading *toward* the business. Traditionally, over mass media it’s been the other way around. In each of the previous examples of social business thinking and applications, it is the business that is listening to the customer. What is being learned as a result of this listening and participation is then tapped internally to change, sustain, or improve specific customer experiences. When subsequently tied to business objectives, the practice of social business becomes holistic indeed.

### **The Connected Customer**

The upshot is that the customer is now in a primary role as an innovator, as a source of forward-pointing information around taste and preference, and as such is *potentially* the basis for competitive advantage. I say “potentially” because customers having opinions or ideas and actually getting useful information from them and then using it are two different things. Here again, social business and the related technologies step in: Where social media marketing very often stops at the listening stage, perhaps also responding to directly raised issues in the process, social business takes two added steps.

First, social business practices provide formal, visible, and transparent connections that link customers and the business, and internally link employees to each other and back to customers. This is a central aspect of social business: The “social” in “social business” refers to the development of connections between people, connections that are used to facilitate business, product design, service enhancement, market understanding, and more. Second, because employees are connected and able to collaborate—social business and Web 2.0 technology applies internally just as it does externally—the firm is able to respond to what its customers are saying through the social media channels in an efficient, credible manner.

Before jumping too far, a point about fear: fear of the unknown, the unsaid, the unidentified, and even the uninformed saying bad things about your brand, product, or service that aren’t even correct! Fear not, or at least fear less. By engaging, understanding, and participating, you can actually take big steps in bringing some comfort to your team around you that is maybe more than a bit nervous about social media. Jake McKee, a colleague of mine and the technical editor for this book, attended one of Andy Sernovitz’s way cool social media events. The group toured an aircraft carrier *while it operated in the Pacific*. One of the things Jake noted was that even though the deck of an active aircraft carrier—considered among the most dangerous workplaces on earth—was to the untrained eye chaotic and therefore scary—it was surprisingly

fear-free. Everyone knew their place and everyone watched out for each other (and especially for Andy’s tour group). F-18s were launching 100 feet away: Average age of the crew? 19. Fear? Nope. The point is this: You can overcome fear with structure and discipline—on the deck of an active aircraft carrier or in business on the Social Web. Chapter 5, “Social Technology and Business Decisions,” Chapter 6, “Social Analytics, Metrics and Measurement,” and Chapter 7, “Five Essential Tips When Starting Out,” provide insights into the organizational adoption of social technology along with the best practices and essential quick-start tips to put you at ease.

## The Social Web and Engagement

This next section provides a conceptual starting point in understanding how the critical activities of engagement and response are enabled through the adoption of social technology and supporting processes. Beware: It’s a different viewpoint than that which applies to “engagement” in traditional media. Engagement is redefined by consumers when acting in an open, participative social environment. This is a very different context than the “read-only” setting in which traditional media defines “engagement,” so take the time here to understand the four stages of engagement.

Engagement on the Social Web means customers or stakeholders become *participants* rather than viewers. It’s the difference between *seeing* a movie and participating in a screening of “The Rocky Horror Picture Show.” *The difference is participation.* Engagement, in a social business sense, means your customers are willing to take their time and energy and talk *to you*—as well as *about you*—in conversation and through processes that impact your business. They are willing to participate, and it is this participation that defines engagement in the context of the Social Web.

The engagement process is, therefore, fundamental to successful social marketing and to the establishment of successful social business practices. Engagement in a social context implies that customers have taken a personal interest in what you are bringing to the market. In an expanded sense, this applies to *any* stakeholder and carries the same notion: A personal interest in your business *outcome* has been established. This applies to customers, to partners, to employees, to anyone and everyone who can express and share an opinion or idea somewhere along your path to market.

Consider the purchase funnel shown in Figure 1.1. As customer conversations enter the purchase cycle in the consideration phase of the sales process, there is a larger implication: Your customer is now a part of your marketing department. In fact, your customers and what they think and share with each other form the foundation of your business or organization.

The impact is both subtle and profound: Subtle in the sense that on the surface much of “social business” amounts to running a business the way a business ought to be run. Businesses exist—ultimately—to serve customers through whose patronage the founders, employees, shareholders, and others derive (generally) an economic benefit as

they are ensured a future in running that business. At times, however, it seems the customer gets dropped from that set. The result can be seen on Twitter most any day by searching for the hashtag #FAIL.

It's also a profound change, however, in the sense that the stakes in pleasing the customer are now much higher. Customers are more knowledgeable and more vocal about they want, and they are better prepared to let others know about it in cases of over-delivery or under-delivery. On top of that, not only are customers seeing what the business and the industry are doing, they are building their own expectations for *your* business based on what *every other* business they work with is doing. If Walmart can quickly tap Bazaarvoice and put ratings and reviews on any product it sells, the expectation is that American Airlines will prominently place customer ratings on every flight it flies. Think about it: If flight attendants, by flight, were rated according to service and demeanor by past fliers and that information was used to make future flight choices in the same way as on-time performance, how would the flying experience overall change? It happens in restaurants: We all have a favorite waitperson. If this seems a stretch, consider that Southwest, Alaska Airlines, and Continental have all placed emphasis on exactly this service point, and they enjoy higher than average Net Promoter scores partly as a result.

Social business, therefore, is about equipping your entire organization to listen, engage, understand, and respond directly through conversation and by extension in the design of products and services in a manner that not only satisfies customers but also encourages them to share their delight with others. If social media is the vehicle for success, social business is the interstate system on which it rides into your organization.

Share their *delight*? What scares a lot of otherwise willing marketers is the exact opposite: sharing dismay, or worse. The fact is, negative conversations—to the extent they exist, and they do—are happening right now. Your participation doesn't change that. What does change is that those same naysayers have company—you. You can engage, understand, correct factual errors, and apologize as you address and correct the real issues. Watch out for what Paul Rand has labeled “Determined Detractors.” See the sidebar “Respond to Social Media Mentions” for a response flow chart. It's simple, and it works. Be confident, Grasshopper.

### **Respond to Social Media Mentions**

Wondering how to handle a negative mention or whether or not to say “Thank You” for a nice compliment? The United States Air Force developed a flow chart that formed the basis of Altimeter's recommended responses in various social media scenarios. You'll find the chart here:

<http://www.web-strategist.com/blog/2008/12/31/diagram-how-the-air-force-response-to-blogs>

In Chapter 8, “Engagement on the Social Web,” and Chapter 9, “Social CRM,” I show how the basic principle of incorporating the customer directly into the marketing process extends throughout the product lifecycle. In this opening chapter, I focus only on the supporting concepts and techniques by which you can build these principles—now—into your business processes. For example, encouraging participation in discussion forums, or helping your customers publish *and rate* product or service reviews can help you build business, and it can put in place the best practices you’ll need to succeed in the future. Social business includes product design, pricing, options, customer service, warranty, and the renewal/re-subscription process and more. All told, social business is an organization-wide look at the interactions and dependencies between customers and businesses connected by information-rich and very much discoverable conversations.

So what is it that gets talked about, and why does it matter? Simply put, anything that catches a consumer or prospective customer’s attention is fair game for conversation. It may happen between three people or three million. This includes expectations exceeded as well as expectations not met, and runs the gamut from what appears to be minutiae (“My bus seems really slow today...”) to what is more obviously significant (“My laptop is literally on fire...right now!”).

How do these relate to business? The bus company, monitoring Twitter, might tweet back “Which bus are you riding on right now?” and at the least let its rider know that it noticed the issue. At most, it might discover a routing problem and improve its service generally. As for the laptop on fire, if I were the brand manager and it were my product line, I’d want to know about this as soon as possible and by whatever means. That most certainly includes Twitter.

News travels fast, and nowhere does it travel faster than the Social Web. In his 2009 *Wired* article “Twitter-Yahoo Mashup Yields Better Breaking News Search,” writer Scott Gilbertson put it this way: “Whenever there’s breaking news, savvy web users turn to Twitter for the first hints of what might be going on.” What’s important in a business context is this: In both the bus schedule and laptop fire examples, the person offering the information is probably carrying a social-technology-capable, Internet-connected mobile phone. It is very likely that Twitter or a similar mobile service *is also this person’s first line of communication about any particular product or service experience!* The respective service and brand managers could easily track this using real-time social media analytics tools and thereby become immediate, relevant participants in these conversations. This kind of participation is both welcomed and expected to be present by customers. The great part of all of this is that by connecting, engaging, and participating, as a business manager you tap into a steady stream of useful ideas. See Chapter 12, “Social Applications,” for more on idea-generation platforms and their application in business.

The Social Web (aka Web 2.0) revolves around conversations, social interactions, and the formation of groups that in some way advance or act on collective knowledge. Social media analytics is focused on understanding and managing specific attributes of the conversation: sentiment, source, and polarity, for example. Social business takes it a step further and asks “How or why did this conversation arise in the first place?” For example, is the conversation rooted in a warranty process failure? The practice of social business is helpful in determining how to fix it. Is a stream of stand-out comments being driven by a specific, exceptional employee? Social-business-based processes will help your organization create more employees like that one. From the business perspective—and Marketing and Operations are both a part of this—understanding how conversations come to exist and how to tap the information they contain is key to understanding how to leverage the Social Web and to move from “So what?” to “I get it!”

Social business processes and technologies share insights generated by customers, suppliers, partners, or employees through collaborative applications in ways that actually transform a conversation into useful ideas and practical business processes. Social business is built around a composite of technologies, processes, and behaviors that facilitate the spread of experiences (not just facts) and engender collaborative behavior.

An easy way to think about social technology and its application to business is in its conveyance of *meaning* and not just attributes such as “polarity” or “source” or “sentiment,” and in what a business can do in response to this information. Social business is built around collaborative processes that link customers to the brand by engaging them as a part of the Product Development Cycle. Consider the social business framework now in place at Dell.

Dell, hit hard by Jeff Jarvis’s August 2005 “Dell Hell” reference in his Buzz Machine blog posts, needed to become a brand that listened and engaged with customers, employees, and suppliers across the Web. Dell employees like Bob Pearson, now CEO of The Social Media Business Council and Sean McDonald, now a principal with Ant’s Eye View, believes that people spent a lot of time on the Web, but not necessarily on *your* domain buying *your* product. So, the engagement strategy has to begin with going out onto the Web and meeting them on their terms and on their turf. In other words, it’s better to fish where the fish are, not where you wish the fish were.

The team at Dell built on the strength it found in its customers: There were 750,000 registered users in the Dell Community at the time, with a good portion “highly engaged.” *These customers wanted Dell to participate.* Dell quickly realized that engaged users were stronger contributors and more vocal advocates of the brand. This realization was the breakthrough for the wide range of social media programs that Dell offers today. Dell’s programs are built around its customers (not just the brand), and they actively pull customers and their ideas into Dell where Dell employees collaborate and advance the product line, completing the customer-business information cycle.

Social business includes the design of an external engagement process in which participants are systematically brought into the social processes surrounding and

supporting the business. This is achieved within the communities frequented by stakeholders through the implementation of the community and associated software services presented throughout this book. These social applications include the internal business processes that link across the organization and connect consumers and employees with the business as a whole and facilitate the process of customer engagement.

### The Engagement Process

Engagement is central to the effective use of social technology and the creation of social business. Unlike traditional media and the business processes of selling based on it, social technologies push toward *collaboration* rather than *exposure and impression*. In the first wave of social technology—social media and the rise of personal activities (e.g., friending) that occurred on the Social Web, collaboration between consumers took off as they recognized that by sharing experiences they could (collectively) make better purchase decisions.

In the context of social business, the process of engagement is expanded to include not only the collaborative activity that occurs between customers, but also the activities that connect the business with its customers as well as those that connect the employees inside the business, where this connectivity fosters sharing and collaboration so that employees may more effectively respond to customers' needs. The social engagement process moves customers and similar participants in brand, product, or service-related conversations beyond the act of consumption (reading an article about a product, for example) and toward the shared act of working together (customers alongside employees) to collaborate and produce an experience that improves over time.

Following a methodology practiced at 2020 Social, a firm I am associated with in New Delhi, the upcoming sections present a set of fundamental “social action” building blocks (shown in Figure 1.2) that make it easy to step through the *engagement* process of tapping customer conversations and turning them into useful insights. These insights give rise to a systematic process for moving customers to increasingly engaged states. These foundational blocks lead to and support a ladder-type engagement model with customer collaboration—not simply content consumption—as the end point. As such, they are useful in understanding the various ways in which technologies and strategies can be combined to drive smart tactical, business-building processes in both marketing and operations.

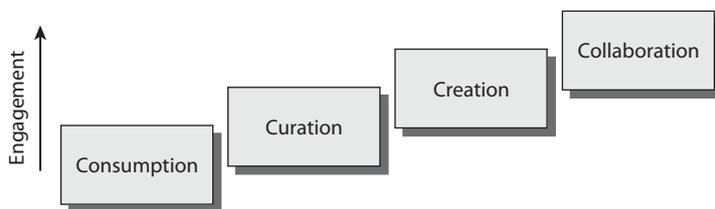


Figure 1.2 Structured Engagement

## Consumption

The first of the foundational blocks in the process of building strong customer engagement is *consumption*. Consumption, as used in the context of social media, means downloading, reading, watching, or listening to digital content. Consumption is the basic starting point for nearly any online activity, and especially so for social activities. It's essentially impossible (or at least unwise) to share, for example, without consuming first: habitually retweeting without first reading and determining applicability to your audience, for example, will generally turn out badly.. More practically, if no one reads (or "consumes") a particular piece of content, why would anyone share it? Further, because humans filter information, what we share is only a subset of what we consume. As a result, consumption far outweighs any other process on the Social Web: It's that cliché that holds the majority of the people on the Web are *taking* (consuming) rather than *putting back* (creating). It's often said that the Web makes everyone a publisher: I guess a lot of people are just too busy consuming to create!

You can take a tip from this reality: If you want your audience or your community members to move beyond consumption and into activities like content creation, then short of irritating them (which works, but not in the way you want it to and certainly not in the way that sand in an oyster shell produces a pearl), you've got to encourage them and empower them to create. It's really important to help move participants beyond consumption and into creation: The remaining social action building blocks are keys to getting beyond the "media property/page view" model of monetization of interactive web applications, which really isn't "social" at all.

### Interactive Versus Social: What's the Difference?

A simple distinction between interactive and social was drawn by Gaurav Mishra, CEO, 2020 Social: "Interactive websites connect customers with software applications: Social sites connect customers with each other." As an example, compare social listings from CitySearch in the United States or India's Burrp with the more socially connected Eventful. Although all have great listings, the latter offers significantly more opportunity for social interaction between visitors.

You can follow Gaurav on Twitter (@Gauravonomics) and read more from him at his blog:

<http://www.gauravonomics.com>

The move beyond consumption is an important realization in the development of your social business: Content consumption without a direct consumer/audience role in creation—think TV, radio, print—is an interactive but not necessarily social approach to building a successful business. In a content-driven interactive media site, the content is the draw and the consumption of it is the primary activity. In a social application,

the content still matters—no one wants to hang out in a vacuum—but the interactions and conversations that the content enables between members take center stage.

### **Curation**

*Curation* is the act of sorting and filtering, rating, reviewing, commenting on, tagging, or otherwise describing content. Curation makes content more useful to others. For example, when someone *creates* a book review, the hope is that the review will become the basis for a subsequent purchase decision. However, the review itself is only as good as the person who wrote it, and only as useful as it is relevant to the person reading it. Reviews become truly valuable when they can be placed into the context, interests, and values of the person reading them.

This is what curation enables. By seeing not only the review but also the “reviews of the reviewers” or other information about the person who created the review, the prospective buyer is in a much better position to evaluate the applicability of that review given specific personal interests or needs. Hence, the review is likely to be more useful (even if this means a particular review is rejected) in a specific purchase situation. The result is a better-informed consumer and a better future review for whatever is ultimately purchased, an insight that follows from the fact that better informed consumers make better choices, increasing their own future satisfaction in the process.

Curation also happens more broadly, at a general content level. Curation is an important social action in that it helps shape, prune, and generally increase the signal-to-noise ratio within the community. Note as well that curation happens not only with content, but also between members themselves. Consider a contributor who is rewarded for consistently excellent posts in a support forum through member-driven quality ratings. This is an essential control point for the community and one that all other things being equal is best left to the members themselves: Curation “of the members and by the members,” so to speak.

Of note, the process of curation is the first point at which a participant in the social process is actually *creating* something. Consumption, as defined here, is a one-directional action: You read, you download, you listen, etc. Consumption, by itself, does not drive social interaction.

Curation is, therefore, a very important action to encourage. *Curation teaches people to participate, to create, in small, low-risk steps that are easy to grasp.* It’s a lot like learning to dance: Fear, concern of self-image, and feelings of awkwardness all act as inhibitors of what is generally considered an enjoyable form of self expression and social interaction. Introducing your audience to curation makes it easy for them to become active members of the community and to participate in the later creative and collaborative processes that drive it over the long term. That’s how you build a community.

## Creation

Beyond curation is what is more generally recognized as “content creation.” Unlike curation, a great first step that requires little more than a response to an event—you indicate your like or dislike for a photo, for example—content creation requires that community members actually offer up something that they have made themselves. This is a significantly higher hurdle, so it’s something for which you’ll want to have a very specific plan. “You can upload your photos!” by itself is generally not enough.

How do you encourage creation? Step 1 is providing tools, support, help, templates, samples, and more. The less work your members have to do the better. Does your application require a file of a specific format, sized within a given range? You can count on a significant drop in participation because of that. When someone has taken a photo on a now-common 6- or 8-megapixel phone camera, stating “uploads are limited to 100 Kbytes is tantamount to “Sorry, we’re closed.” Instead, build an application that takes *any* photo and then resizes it according to your content needs and technology constraints. Hang a big “All Welcome” sign out and watch your audience create.

When MTV’s Argentinean business unit sought to extend its consumer presence in the social spaces, it teamed up with Looppa, a firm I work with in Buenos Aires, to create online communities that encouraged content creation and sharing. Using the content tools, participants created in excess of 300,000 photos and 200,000 comments. Over 30,000 videos were uploaded and shared by members within the community. It is this sort of active content creation that marks the shift from the read-only traditional brand community—come and play our games, read our announcements, and buy our product—to the socially participative Web 2.0 community.

Driving this content creation is a simple underlying theme: People like to share what they are doing, talk (post) about the things that interest them, and generally be recognized for their own contributions within the larger community. Reputation management—a key element in encouraging social interaction—is based directly on the quantity *and quality* of the content created and shared by individual participants. The combination of easy content publishing, curation, and visible reputation management are the cornerstones of a strong community.

### **Looppa: A Connected Community Platform**

Based in Buenos Aires, Looppa provides a set of social technologies that enable the creation of branded social communities built around passions, lifestyles, and causes. You can find out more about Looppa on the Web. (In the interest of full disclosure, I should mention I’m associated with Looppa as a shareholder and an Advisory Board Member.)

<http://www.looppa.com>

## Collaboration

Finally, at the top of the set of the core social-business building blocks is collaboration. Collaboration is a key inflection point in the realization of a vibrant community and the port of entry for true social business. Here's why.

The collective use of ratings aside, consumption, curation, and creation can be largely individual activities. Someone watches a few videos, rates one or two, and then uploads something. That can build traffic, can build a content library (hey, it built YouTube, right?), and can drive page views, all important aspects of a media property. But they aren't necessarily strong *social* actions. Collaboration is.

Collaboration occurs naturally between members of the community when given the chance. Blogging is a good example. Take a look at a typical blog that you subscribe to, and you'll find numerous examples of posts, reinterpreted by readers through comments—that flow off to new conversations between the blogger and the readers. Bloggers often adapt their “product” on-the-fly based on the inputs of the audience.

Bloggng and the way in which participant input shapes the actual product is a deceptively simple example of what is actually a difficult process: Taking *direct input* from a customer and *using it* in the design of your product. Many effective bloggers take direction from readers' comments and then build a new thought based on the reader's interests and thoughts. This is actually a window into what social business is all about: Directly involving your customers in the design and delivery of what you make. How so? Read on.

Consider a typical newspaper, online or off. A journalist writes an article, and the subscribers read it. The primary feedback mechanism—Letters to the Editor—may feature selected responses, but that's generally the end of the line. The original journalist may never again come back to these individual responses much less visibly build on them in future stories. Traditional media is “one way.”

Now move to a blog or a blog-style online paper, something like the Huffington Post, Pluggd.in, or Mashable. With the online publications of these businesses, audience participation is actually part of the production process. The comments become part of the product and directly build on the overall value of the online media property. The product—news and related editorial and *reader* commentary—is created collaboratively. As news content in particular moves to increasingly capable hand-held and Internet-connected devices like the iPad, news will increasingly find its way back to the living room where it may again be discussed socially—even if in the “online living room”—with the (also digital) social commentary continuing to become an increasingly important part of the content.

Back on the business context, taking collaboration into the internal workings of the organization is at the heart of social business. This is equally applicable to the design of physical products, long-lived (multiyear) services, and customer relationship and maintenance cycles. By connecting customers with employees—connecting parents

with packaging designers for kids' toys—your business can literally leapfrog the competition and earn favorable social press in the process.

### The Engagement Process and Social Business

Taken together, the combined acts of consumption, curation, creation, and collaboration carry participants in the conversations around your business from readers to talkers to co-creators. Two fundamentally important considerations that are directly applicable to your business or organization come out of this.

First, your audience is more inclined to engage in collaborative activities—sharing thoughts, ideas, concerns—that include you. It may be a “negative” process: your audience may be including you in a conversation whose end-goal is a change in your business process that improves a particular (negative) experience they've had. Or, it may be simply “We love you...here's what else we'd like to see.” The actual topics matter less than the fact that your customers are now actively sharing with you their view of the ways in which what you offer affects them. By building in social behaviors and inviting customers into these processes, your business or organization is in a much better position to identify and tap the evangelists that form around your brand, product, or service.

Second, because your customers or other stakeholders have moved from reading to creating and collaborating, they are significantly closer to the steps that follow collaboration as it leads to engagement: trial, purchase, and advocacy. The engagement process provides your customers with the information and experiences needed to become effective advocates, and to carry your message further into their own personal networks.

As examples of the value customers and organizational participants will bring as they gather 'round and talk, consider the following:

- You don't get to the really good results until you go through the necessary venting of people you've previously ignored: Opening up a dialog gives you a natural way to enable venting and healing.
- The way you deal with negative issues is an exhibition of your true character: become a master and reap the rewards.
- It's your job to understand what was really meant, given whatever it was that was actually said. “I hate you” isn't always as simple as it sounds: This kind of seemingly intense negativity may arise because the customer involved *likes you enough* to actually *feel* this way when things go wrong.
- Ultimately, your customers *want* to see you do well: They want your product or service to please them.

Looking ahead at the engagement end goal—advocacy—note that the benefits of advocacy apply beyond the immediate customers involved. Advocates gather around

your brand, product, or service to spread their experiences for the purpose of influencing others. For you, it's a double payoff: Not only does it make more likely the creation of advocates through collaborative social applications, but because these and other social applications exist, the advocates that emerge are actually *more able* to spread their stories.

In the end, the engagement process as applied to social business is about connecting your customers and stakeholders with your brand, product, or service, and then tapping their collective knowledge and connecting into your organization to drive innovation and beneficial change. With this linkage in place, the larger social feedback loop is available to you for use in ways that can—and do—lead to long-term competitive advantage.

## The Operations and Marketing Connection

So far this chapter has covered two primary topics: The importance of understanding the mechanics of the Social Web and the Social Feedback Cycle, and the *collaborative* inflection-point within the larger *social* engagement process. Engagement has been redefined for social business as a more active (participative) notion compared with the decidedly more passive definition of engagement—reading an ad or mechanically interacting with a microsite—typically applied in traditional media, where terms like “Engagement Ad” literally means “an ad you can click on to see more promo copy.” That's not what participants on the Social Web think of as “engaging,” as the Social Web is a distinctly participation-centric place.

The final section ties the mechanical processes of the social technologies together with the acts of participation and collaboration, and establishes the foundational role of the *entire business or organization* in setting up for success on the Social Web. The Social Feedback Cycle—the loop that connects the published experiences of current customers or other stakeholders with potential customers or other stakeholders—is powered by the organization and what it produces. This is a very different proposition from a traditional view of marketing where the message is controlled by an agency and the experience is controlled—in isolation—by the product or services teams and others.

Figure 1.3 shows the alignment that needs to occur between what can be loosely be called “Operations” and the Marketing team in support of Customers. Included in “operations” are the functional areas that control product design and manufacturing, customer service and support policies, warranty services and similar. In other words, if Marketing is the discipline or function within an organization that defines and shapes the customer's expectation, then Operations is the combined functional team that shapes and delivers the actual customer experience.

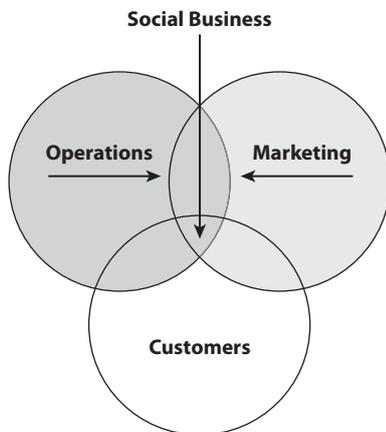


Figure 1.3 The Marketing-Operations Connection

The connection between the disciplines of marketing and operations and social media—and in particular the conversations, ratings, photos, and more that circulate on the Social Web—is this: The majority of conversations that involve a brand, product, or service are those that arise out of a difference between what was expected and what was delivered or experienced. After all, we tend to talk more about what was *not* expected than what was expected. In this simple relationship between expectation and actual experience, the folly of trying to control conversations on the Social Web becomes clear: Conversations on the Social Web are the artifacts of the work product of someone else—a blogger, a customer, a voter, etc.—who typically doesn’t report to the organization desiring to gain control! You can’t control something that isn’t yours to control.

Instead, it is by changing the product design, the service policy or similar in order to align the experience with the expectation or to ensure the replicable delivery of “delight,” for example, as Zappos does when it upgrades shipping to “Next Day” for no other reason than to delightfully surprise a customer. At Zappos, it’s not just a story of an occasional surprise upgrade that got blown out of proportion in the blogosphere. When bloggers—and customers—rave about Zappos, it’s for good reason: Zappos creates sufficient moments of delight that many people have experienced them and gone on to create and share content about them. It’s expensive—and Zappos isn’t always the lowest cost shoe retailer. But in the end, delight wins. Zappos set out to build a billion-dollar business in 10 years. As a team, they did it in eight. Ultimately, it is the subsequent customer experiences—built or reshaped with direct customer input—which will drive future conversations and set your business or organization on the path to success.

### Connect Your Team

Social media marketing is in many ways a precursor to social business. Social media marketing is most effective when the entire business is responsible for the experiences

and everyone within the organization is visibly responsible for the overall product or service. When engagement, for example, is considered from a customer's perspective—when the measure for engagement is the number of new ideas submitted rather than the time spent reading a web page—the business operates as a holistic entity rather than a collection of insulated silos. The result is a consistent, replicable delivery experience that can be further tuned and improved over time.

When it comes to rallying the troops to support your organization-wide effort, there is no doubt that you'll face some push back. Very likely, you'll hear things like this:

- We don't have the internal resources and time.
- We lack knowledge and expertise.
- Not till you show me the value and ROI.
- We don't have guidelines or policies.
- It's for young kids—not for our business.
- Our customers will start saying bad things.

You'll hear all of this, and more. Of the first tasks you are likely to face when implementing a social media marketing program and then pushing it in the direction of social business is the organizational challenge of connecting the resources that you will need. The good news is that it can be done. The not-so-good news is that it *has to be* done.

When you're a marketer, one of the immediate benefits of a social media program is gaining an understanding of what people are saying about your brand, product, or service (listening); analyzing what you find to extract meaning (social media analytics) that is relevant to your work; and then developing a response program (active listening). This information can be presented internally, and done so in a way that is inclusive and draws a team around you. Listening is a great way to start: As you move toward social business, it will become clear rather quickly that this is best done through an effort that reaches across departments and pulls on the strengths of the entire organization. Anything you can do to get others within your business or organization interested is a plus. As a starting point, listening is the low-hanging fruit.

Each of the above—listening, analyzing, and some aspects of responding—can be done without any direct connection to your customers or visible presence with regard to your business or organization on the Social Web: In others words, it's very low risk. While it may not be optimal, the activities around listening and analyzing, for example, can be managed within the marketing function. With workflow-enabled analytics tools—for example, using a listening platform that automatically routes tweets about warranty issues to customer service—you can certainly make it easier to oversee all of this.

Building on this approach, when you move to the next step—responding to a policy question or product feature request—you'll be glad you pulled a larger team

together and built some internal support. Otherwise, you'll quickly discover how limited your capabilities inside the marketing department *to respond directly and meaningfully to customers* actually are, and this will threaten your success. How so?

Suppose, for example, that you see negative reviews regarding the gas mileage of a new model car you've introduced, or you see those posts about an exceptional customer service person. In the former case, you can always play the defensive role—"True, but the mileage our car delivers is still an improvement over...." Or, you can ignore the conversation in hopes that it will die out or at least not grow. In the case of the exceptional employee, you can praise that particular person but beyond the benefit of rewarding an individual—which is important, no doubt about it—what does it really do for your business? What would help you is delivering more miles per gallon, or knowing how to scale exceptional employees, or how to create *more* exceptional employees from the start.

Ignoring, defending, and tactically responding in a one-off manner doesn't produce sustainable gain over the long term. Instead, the information underlying these types of events needs to get to the product teams, to Customer Support or Human Resource (HR) managers or whomever it is that is responsible for the experience that is being talked about. In the case of the mileage, someone needs to determine whether there is a design problem: Does hot weather cause mileage dips, and are your Texas auto dealers leading in sales? Or, is it an application mismatch (such as buying a Hummer to run back and forth to the gym or tanning salon) or simply an unrealistic customer expectation (set by, gee, I don't know...maybe those EPA estimates that appear in bold type in automobile advertisements?). All of these are real examples.

To address these kinds of issues, action is required, and the action has to connect the source of the experience to the actual solution. This generally means involving a team beyond marketing. Otherwise—if the root cause is not addressed, the current conversations will continue.

What you are really after—and where social business practices can actually deliver—is in understanding, validating, and implementing the processes or process changes needed to move the conversation in the direction that supports your business objectives. In the case of the exceptional employee, what is this person's history? To whom does this person report? How can your organization encourage more people to adopt the specific behaviors that drove the positive comments? These are the types of issues that a holistic approach to social business can impact.

In all of these cases, the take-away is this: Faced with an issue of interest coming off of the Social Web, your next step—armed with the conversational data and some analysis—is likely going to take you outside of marketing. You'll want to have a larger team in place, so the activity of encouraging support among colleagues and internal influencers and decisions makers must begin early.

Who is that larger team, and how do you build it? The answers may surprise you: Your best allies may be in unlikely or prior unconsidered places. Consider, for example, the following:

- Your legal team can help you draft social media and social computing policies for distribution within the organization. This is great starting point for team-building because you are asking your legal team to do what it does best: Keep everyone else out of trouble.
- You can connect your customer service team through social analytics tools so that they can easily track Twitter and similar Social Web conversations, and using low-cost listening tools and the USAF response matrix you can enlist your corporate training department to teach service representatives what to do.
- You can outsource the development of a relevant business application for your Facebook business page or other community site to a qualified technology partner (and not your cousin or an intern who will be gone in 6 weeks).
- Enlist your own customers. Most business managers are amazed at how much assistance customers will provide when asked to do so.

### **Your Customers Want to Help**

While it may surprise you, your own customers are part of the solution. They are often the biggest source of assistance you've got. Flip back to the engagement process: Consumption, curation, creation, collaboration. At the point that your customers are collaborating with each other, it is very likely that they are also more than willing to provide direct inputs for the next generation of your product or service, or offer tips on what they think you can quickly implement now. Starbucks' customers have been busy using the Salesforce.com-based "My Starbucks Idea" platform. Since implementation in 2008, about 80,000 ideas have been submitted with over 200 direct innovations as a result. Based on direct customer input, Starbucks has been averaging two innovations introduced per week. That's impressive, and it pays off in business results.

Ideation and support applications are discussed in Chapters 9 and 12. They are among the tools that you'll want to look at, along with social media analytics and influencer identification tools covered in Part II of this book. However you do it, whether planning your social business program as an extension of an in-place marketing program or as your first entry into social technology and its application to business take the time to connect your customers (engagement) to your entire team (collaboration).

### **Review and Hands-On**

This chapter connects the current practice of social-media-based marketing—a reality in many business and service organizations now—with the more fundamental

application of the same technologies at a “whole-organization” level. In other words, social business is the next generation of customer engagement: it connects customers to employees, links unstructured conversational data to structured business data, and recognizes that the same desire to collaborate in the pursuit of better decisions exists both inside and outside your firm.

### Review of the Main Points

This chapter focused on social media and social technology applied at a deeper business level for the purpose of driving higher levels of customer engagement. In particular, this chapter established the following fundamentals:

- There is a distinct social “engagement” process: Beginning with content consumption, it continues through curation, creation, and collaboration. The final stage—collaboration—can be used to form an active link between you, your colleagues, and your customers.
- Operations and Marketing teams must work together to create the experiences that drive conversations. The Social Feedback Cycle is the articulation of the relationship that connects all of the disciplines within your organization around the customer experience.
- Collaboration—used to connect customers to your business—is a powerful force in effecting change and driving innovation. Collaboration is, in this sense, one of the fundamental objectives of a social *business* strategy.

Now that you’ve gotten the basics of the engagement process and understand the usefulness of social applications along with the ways in which you can connect your audience, employees, and business, spend some time looking at the following real-world applications. As you do, think about how the engagement process is applied, and about how the resultant interactions leverage the larger social networks and relevant communities frequented by those who would be using these applications.

### Hands-On: Review These Resources

Review each of the following, taking note of the main points covered in the chapter and the ways in which the following resources demonstrate or expand on these points:

- Starbucks’ “My Starbucks Idea” ideation application:  
<http://mystarbucksidea.com>
- The blog of Gaurav Mishra, on the topic of social business:  
<http://www.gauravonomics.com>
- The blog of Peter Kim, on the topic of social business:  
<http://www.beingpeterkim.com>

### **Hands-On: Apply What You've Learned**

Apply what you've learned in this chapter through the following exercises:

- 1.** Define the basic properties, objectives, and outcomes of a collaborative application that connects your customers to your business and to your employees.
- 2.** Define an internal application that connects employees and enables efficient resolution of customer-generated ideas.
- 3.** Map out your own customer engagement process and compare it with the engagement process defined in this chapter.



# The New Role of the Customer

# 2

*The Social Web visibly connects your business or organization and its stakeholders—customers, suppliers and influencers, each of whom have defined new roles for themselves very much in control of the information they share as they evaluate competing options. This chapter explains these new roles in business terms, showing you how to determine who is influencing whom and where the next great ideas are likely to originate.*

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## **Chapter Contents**

The New Role: Social Interactions  
Customer Relationships: CRM Gets Social  
Outreach and Influencer Relations

## The New Role: Social Interactions

The “social” in “Social Web” implies more than technology, more than the networks where people post photos and review books: It’s less about the “what” and more about “how, why, and among whom” that distinguishes the Social Web from earlier, transactional online technologies. The term “social” refers to the ways in which people connect—friends, requiring a two-way acknowledgement of a relationship are different than more casually associated followers, for example. The term “social” also provides insight into why they are connecting—perhaps to learn something, to share an experience, or to collaborate on a project. As such, a great place to start learning about the Social Web and its connection to business is with the basic relationships that are created between participants in social networks and social applications, and to then look at the types of interactions between them that follow.

It is the relationships and interactions between participants that connect community members and define the social graph, a term of art that means simply who you are (e.g., your profile), who you are connected to (e.g., your friends or followers), and what you are doing (e.g., status updates). The social graph is to building relationships what ordinary links between websites are to building an information network: They define the social connections. Without the social graph—without the profiles and friends, followers, and similar relations that form between them—online social communities are reduced to task-oriented, self-serve utilities much as a basic website or shopping catalog might present itself.

A quick way to see this is to think about a site like Yelp. Yelp provides review, ratings, venue, and schedule information...all of the things needed to plan an evening or other outing. This is the kind of activity that an individual might do or an individual might do on behalf of a small, known group of friends with a specific personal goal in mind: Find a good restaurant and then see a show, etc. That’s the basic utility that Yelp provides, and by itself it isn’t particularly social with the allowance of the shared ratings and reviews that Yelp offers.

Go one step further, though, and Yelp becomes a social site as well. When someone builds a Yelp profile and connects with other Yelpers—that’s what people using Yelp call each other—the transactional service becomes a relationship-driven community. Rather than “*What* would I like to do this evening?” the question becomes “*With whom* would I like to do something this evening?” This is a distinctly social motive, and it is the combination of utility value (information and ratings) along with the other Yelper’s own profile and messages (the social elements) together with whom they are connected that makes the social aspects of Yelp work. It is the social—not transactional—tools that power Yelp.

By encouraging the development of relationships within a collaborative community—or across functional lines within an organization or between customers and

employees of a business—the likelihood of meaningful interaction, of collaboration, is significantly increased. This kind of collaborative, shared experience drives the production and exchange of information (experiences) within a customer community and just as well within an organization. It works for Yelp, and it works in business networks connecting manufacturers with suppliers and employees with each other. The key to all of these is building relationships and providing relevant, meaningful opportunity for personal interaction.

### The Social Graph

The *social graph* is the collection of links, relationships, interactions and other connections that comprise a social network. Wikipedia has more on social graphs here:

[http://en.wikipedia.org/wiki/Social\\_Graph](http://en.wikipedia.org/wiki/Social_Graph)

Relationships and interactions are typically built around a set of primary participant activities. This section covers three of the primary actions: friending and following, reputation management, and moderation along with the development of conduct and use policies (aka Terms of Use) that are essential to maintaining a healthy, collaborative environment. Each of these plays a fundamental role in developing purpose-driven communities—think support sites, supplier networks, and employee knowledge sharing—and, therefore, in implementing a successful social business strategy.

### People Want to Make Friends

*Friending*—the mutually acknowledged linking of profiles within or across defined communities—is the cornerstone of collaborative social interaction. Just as in real life, the various relationships that exist between profiles (people) often imply certain aspects of both the nature of the expected interactions and the context for them. Relationships at a club or church are different in context—and therefore in expectation—from relationships in a workplace, for example: When someone elects to follow another on Twitter, or inside an employee network built on a platform like SocialText, there is likewise an expectation of value received in exchange for the follower relationship, all within the context of the network in which this relationship has been established. People create relationships to exchange value, at some level, with the others in and through that relationship.

Compared with a website—where navigating a self-service library of content is a typical interaction path—the extension of a link between profiles and the formation of a relationship between the people they represent is a fundamental requirement for value exchange between community members. Without these links, people can post content, rate submissions, and similar—but to what end? YouTube is a great example

of exactly this sort of content creation and sharing. The result is a highly trafficked site and lots of buzz, but the “social interaction” still occurs for the most part at the individual, content-consumption level rather than as truly shared or collaborative experiences. Compared with Facebook, for example, YouTube participants share and consume content in a decidedly less social manner: The interaction on YouTube revolves around a sharing or referral of content that each may feel the other will find interesting. Compare this to Facebook, where the majority of sharing involves thoughts, ideas, and conversations and occurs between members that have a true (albeit virtual in many cases) friendship link in place.

Moving from a personal to a business context, “friending” drives the creation and refinement of knowledge because it connects people and facilitates their working together. Collaborative behaviors emerge in environments of linked friends as the recognition of a joint stake or shared outcome becomes evident between participants. Working together—versus alone—almost always produces a better end-product. Think about the corporate training exercises that begin with a survival scenario: The group nearly always develops a better solution given the stated scenario (meaning, the group members are more likely to survive!) than do individuals acting alone.

In communities built around shared content, the process of *curation* (touched on in Chapter 1, “Social Media and Customer Engagement”) and its associated activities such as rating and recommending a photo improve the overall body of content within the community and thereby improve the experience and raise the value of membership. This type of public refinement and informal collaboration results in a stronger shared outcome. These acts of curation additionally manifest themselves in the context of the social graph through the practice of reputation among friends or colleagues in that network. Just as a photo is rated, so are the contributions of a specific community member, giving rise to the reputation of that member. It is this sense of “shared outcome” that you are after when implementing social technologies within the enterprise or when creating an active, lasting customer or stakeholder community that wraps around it.

Ultimately, it is the acts of friending, following, and similar formally declared forms of online social connections that support and encourage the relationships that bond the community and transform it into an organically evolving social entity. As these relationships are put in place, it is important that the participants in the community become more committed to the care and well-being of the community. Plenty of social networking services have failed even though lots of members had lots of friends. There needs to be an activity or core purpose for participants that encourage peer-to-peer interaction. Chapter 10, “Social Objects,” Chapter 11, “The Social Graph,” and Chapter 12, “Social Applications,” offer in-depth discussions on how to ensure that these essential relationships form.

### Club Membership Brings Expectations

In the preceding discussion of relationships and interactions and their importance in the development of a strong sense of shared purpose within a community, left aside was the question of how the social norms or rules of etiquette are established and maintained within a community. Cyberbullying, flame wars, and the general bashing of newbies clearly work at cross-purposes with most any online community development effort. In the design of any social interaction—be it as simple as posting on Twitter or as complex as driving innovation in an expert community—the policies that define and govern the conduct of participants are of utmost importance.

To maintain order and a defined sense of decorum, the practices of moderation along with the implementation of policies—also known as *Terms of Use*—are fundamentally important. While there are entire texts on these topics, there are some core concepts that should be part of any community effort within a social business program. Effective *moderation*—the guiding of participants and conversations within the bounds set by the Terms of Use—is likewise key to the successful implementation of a community or collaborative workspace.

Typically, the Terms of Use will provide for the following, each of which contributes directly to the overall health of a collaborative community:

- Expectation of participation, perhaps managed through a reputation system that rewards more frequent and higher quality contributions
- Ensuring that participants stay on topic within any specific discussion, so that the discussion remains valuable to the larger community, *and so that the topics covered are easily found again at a later date*
- Curtailing any form of bullying, use of hate speech, posting of spam, and similar that are obviously counter-productive within a typical business (or related) community

Beyond these core practices, the function of moderation is to watch for issues that surface or problems that require some sort of escalation. At a basic level, moderation enforces the Terms of Service by warning members about inappropriate posting, language, or behavior. Moderation provides a sense of comfort for newer members who may be unfamiliar with more subtle rules or expectations that exist within the community. Moderation practices, Terms of Use (governing external communities—for example, a customer or supplier community), and social computing policies (governing internal use of social technology—for example, by company employees) together provide an organizational safeguard when implementing social media and social technology programs. Understanding who can participate, what is and isn't appropriate for social channels, disclosure practices, and more are all part of an effective social computing and community moderation policy.

### Social Computing Policies

A clear policy for organizational adoption of social computing is essential. You can think of social computing policies as the “Terms of Use” governing the use of social media within a business. IBM offers its social computing policies for review. Some time spent with these is highly recommended.

<http://www.ibm.com/blogs/zz/en/guidelines.html>

Before leaving moderation—and do visit Jake McKee’s resources (see sidebar feature on Community Moderation) for further discussion on moderation best practices—one last point with regard to ensuring community health: Moderation provides an important relief valve for seasoned members. By guiding conversations in the proper course and keeping discussions on track, skilled moderators actually make it easier (and more pleasant) for the experts in a community to stay engaged and to continue contributing in ways that benefit everyone. This too contributes to the overall development of effective social community programs.

### Community Moderation: Best Practices

Jake McKee, Chief Strategy Officer at Ant’s Eye View (as well as the Technical Editor for this book) offers a great interview with community moderation experts Joe Cotrell and Jay Bryant. Check out this interview, and consider following Jake (@jakemckee) on Twitter.

<http://www.communityguy.com/1626/ocrn-online-moderation-best-practices-interview>

In addition to Jake’s blog, The Community Roundtable is a great resource for community managers: the link below leads to a solid discussion of community management considerations and best practices. You can follow Community Report principals Rachel Happe (@rhappe) and Jim Storer (@jstorer) on Twitter.

<http://community-roundtable.com/2010/01/the-value-of-community-management>

### You Are What You Post

Curation, which was touched on previously, is often presented in the context of *content*, rating a photo or commenting on or scoring an article. As briefly noted, curation also occurs between community participants: In the context of the community participants, curation occurs between members with regard to contributions and behavior. Members are voted up and down or otherwise ranked according to the relative value of the quality of their contributions and impact or value of their participation as

individual community members. This is directly analogous to the way personal reputations are built (and sometimes destroyed) in real life.

*Reputation systems*—formalized manifestations of the curation process when applied to profiles and the acts of the people represented by them—are essential components of any business community. Without them, all sorts of negative behaviors emerge, ranging from unreliable posts being taken as fact (bad enough) to rampant bullying and abuse (which will kill the community outright).

Recall from social media basics that you cannot directly control a conversation on the Social Web. Unlike your ad or public relations (PR) campaign that you can start, stop, and change at will, on the Social Web it's generally not your conversation in the first place, though you may well be a part of it. Rather, the conversation belongs to the collective, *which includes you but is typically not yours alone*. On the Social Web it is the actual customer experiences, combined with your participation and response to it, that drive the conversations. Here's the connection to customers, communities, and reputation: *Authority*—manifested through *reputation*—has to be earned rather than assumed. *Reputation*, which applies at the individual level just as it does to the brand or organization, accrues over time in direct response to the contributions of specific members associated with that brand or organization. A declaration of “guru” means relatively little without the collective nod of the community as a whole.

Reputation management works on the simple premise of elevating participants who behave in ways that strengthen the community and by discouraging the behaviors that work against community interests. Posting, replying, offering answers or tips, completing a personal profile, and similar are all behaviors that typically result in elevated reputations. Intel's Developers program, shown in Figure 2.1, has an excellent reputation management system based on the martial arts belt levels. It's an easily understood systems of points earned for specific actions, and the achievement of elevated levels is truly of badge of honor among the community members. Taking specific steps when designing a community program that encourage profile completion are referenced in Chapter 4, “The Social Business Ecosystem,” and then covered in detail in Chapter 11, “The Social Graph.”

The importance of the reputation system in a social community cannot be overstated. Absent reputation management, individual participants are essentially left on their own to assess their own value and that of the participants around them, which rarely leads to a satisfying experience. Beyond the work of a skilled moderator and a well-designed reputation system, tips and guidelines should be presented clearly. Helping your community members do the right thing on their own—rather than simply telling them to do it—is a direct benefit of a reputation management system. Rather than prescriptive rules, a dynamic reputation management system provides feedback that guides members—in the moment and in the context of specific activities—in the direction that supports the collective need of the community. *When implementing any*

*collaborative social program, pay specific attention to the design of the reputation management system.* Developer communities such as Intel’s Black Belt program are well worth study. Look too at support communities such as Dell’s or Best Buy’s—both built on the Lithium Technologies platform, known for its specific capabilities supporting reputation management and expert identification. All of these are great “best practice” applications to study and compare as you go about creating the design specifications for your own community or other social application.



Figure 2.1 Intel’s Black Belt Program

## Customer Relationships: CRM Gets Social

In the traditional sales cycle, CRM (customer relationship management) forms a data-driven understructure that powers an overall customer life cycle. Based on historical transactions, the insights into what a customer may need next, or when a particular customer may be ready for an *upsell*, offers are generated based on past transactional data and the larger purchase or use patterns that exist across the entire customer base.

On the Social Web, where the customer is now becoming an integral part of the sales process, CRM is being adapted to support this new role of the customer. Think here specifically about the Social Feedback Cycle and the role of a brand ambassador, or an advocacy program that plays out in social media. In each of these, there is a specific development process—from tire kicker to car owner to loyal customer to brand advocate—that can be understood in terms of available behavioral data. Posts on social

sites, collected through social analytics tools, for example, can provide real clues as to where in the ascension to brand advocate (or descension to detractor) a particular individual is at any given moment.

This new role of the customer, based in relationships and shared activities that play out on the Social Web, can be effectively understood and managed by borrowing some of the ideas and practices of traditional CRM and then weaving into them the essential social concepts of shared outcomes, influencer and expert identification, and general treatment of the marketplace as a social community.

On the Social Web, participants form relationships for specific purposes: fun, discovery, or other uses of collective knowledge to better accomplish their own goals. In the context of social business, the motivations include becoming smarter about a product or service as a customer or innovating and extending the value of personal contributions as employees. The changing nature of the overall relationship between a business and its customers can be understood by following the conversations along with the participants and the relationships between them: From the design of the products and services and their delivery into the marketplace to the conversations that form about them on the Social Web the telltale indicators are available. This provides a highly valuable window of insight into what your customers or stakeholders are really thinking, and what they are likely to do next. Social CRM, as it is being defined now, gives you a potential competitive advantage in both strategic planning and tactical response with regard to what is happening on and around the Social Web.

### **The New Role of Influence**

Consider a typical conversation on the Social Web, say a potential customer who is reading a review and talking with a friend over Twitter about it. That review was written by someone, and it was written for a reason. Who that person is—think profile plus connections—provides a clue as to the motivation behind the review. Further, that review is the result of an experience that is itself driven by a business process.

Looked at in a macro sense, a potential customer reading a review is actually looking at the net result of a business process through the eyes of someone with an identifiable motive or point of view. If that motive or point of view can be understood, you can sort out the real business impact of the review (if any) and then apply this knowledge to your business and adjust as necessary your own business processes that are creating the experiences that drove that review. In other words, knowing who is talking about you (and not just what they are saying) is fundamental to understanding and then optimizing your processes to produce the conversations you want, and addressing and correcting the processes that drive the conversations you'd rather not see.

Social CRM—treated in depth in Chapter 9, “Social CRM”—is the emerging discipline that does just this. Social CRM joins up a couple of existing business technologies and associated practices. The “social” component draws on the interactions

between people, on relationship management, and on the study of the life cycle of that relationship and its various trigger points. More traditional customer relationship management (CRM) has to do with *customers* and the prior *transactions* between your customers and your business or organization. What was purchased, what was sent back under warranty, which services were renewed or upgraded, and by whom—all of the interactions and the data around customer transactions are captured in the systems that power the typical CRM installation. Taken together, it's an incredible source of sales insight based directly on past behaviors. CRM is a core best practice in most leading businesses and organizations as a result.

As a step into *Social CRM*, think about customer relationship management as it's practiced currently in many leading firms, where prior sales data is used to improve the next pitch and extend the customer life cycle on into the future. Social CRM is conceptually similar—data driven and operating on a feedback loop—but is extended across your entire business and wraps the entire customer experience, *including external influencers*. An understanding of the present role of the customer in your business, *along with the role of influencers and a resulting ability to connect with them just as with customers*, is what makes Social CRM so potentially powerful.

Very importantly—and a big insight into what separates social business from social media marketing—is taking note that customer relationship management systems are often used by Operations in addition to informing Marketing in regard to customer trends and business issues. The same holistic application of data and processes applies to Social CRM. As used here, “Operations” refers to the departments and functions inside your organization that deliver the actual customer experiences. Beyond product promotion, CRM data and related analytical tools are often used to estimate phone unit staffing levels, to spot warranty-driven design or product use/misuse issues, to identify potential innovations, and more. Much of this occurs outside of the marketing department, and especially so in those organizations where marketing is more closely tied to advertising and communications than to product development and business strategy.

Given these factors, what then really is Social CRM? Simply put, it's an approach to business that *formally* recognizes the role of the customer and external influencers as a key in understanding and managing conversations around the brand, product, or service. If the reference to “conversations” seems to narrow the definition, consider this: The conversation in the contemporary business context is nothing short of a holistic, digital artifact that captures and conveys the sum total of what your firm or organization has delivered. Markets *are* conversations, right?

Think back to Chapter 1 and the engagement building blocks: consumption, curation, creation, and collaboration. These are decidedly social activities, with the level of participation increasing as one moves through the engagement process. Traditional CRM manages a customer relationship in a passive sense from the *customer's* point of view.

The attributes defining the relationship are all based on past transactional data—purchases, calls, and other past-tense events. From the customer’s point of view, the events have happened and are done: there is no ongoing role for the individual as a customer.

By comparison, Social CRM invites the customer into your business or organization through the *future-oriented* process of collaboration. It recognizes what has happened, just as traditional CRM does, but then takes the added step of inviting the customer into the processes that govern *what is about to happen* or *may potentially happen* or *should never happen again* by asking “How can this product or service be made better?” This kind of forward-looking collaboration involves the entire set of stakeholders in the business or organization, including its employees, partners, and suppliers. It is a whole-business, future-oriented process, and it is core to an overall methodology and strategy that is designed and implemented to delight customers.

### Social CRM and Engagement

I highly recommend downloading and studying Paul Greenberg’s whitepaper on Social CRM, “Social CRM Comes of Age.” You can also follow Paul, a thought leader around Social CRM and its application, on Twitter (@pgreenbe).

<http://www.oracle.com/ocom/groups/public/@ocompublic/documents/webcontent/036062.pdf>

Ant’s Eye View’s Kira Wampler, formerly of Intuit, provides great insight into the new role of the customer: She points out that most organizations know ahead of time where their next “Dell Hell” (the online forum where consumers vent frustrations with the computer maker) or “United Breaks Guitars” (the video that reportedly resulted in an estimated 10 percent market cap loss for the airline) is going to come from, so why not be proactive and fix things ahead of time? An example of a well-publicized social media nightmare that turned out well, Dell is now a model of what to do right, and United wound up being merged with Continental partly because its stock price made it attractive. Kira lays out a set of steps that are worth noting, steps that clearly place the customer and the conversations they are having at the center of the Social CRM effort:

- Audit existing “voice of customer” channels: How many are in use, what is being said, and what is the process for analyzing, responding, addressing, and closing the loop with a solution?
- Map the customers’ end-to-end experiences: Understand in detail each step that a customer undertakes when doing specific tasks that relate to your product or service. Create cross-functional teams to relate what you learn to each point in your process that impacts the customer experience at that point.

- Overlay the moments of truth with a feedback channel audit: Where are the gaps? Where do the channels overlap? What feedback do you have that shows how you are performing at these points?
- Establish a baseline of customer experience and priorities to improve: Based on the above, align efforts with your business objectives and set out a plan.
- Establish a regular process for reporting: Use the associated metrics for each step in the process along with your plan to keep your larger (cross functional) team updated. “No surprises” is the best surprise.

Put these ideas together and you have the basic value proposition for Social CRM, in the context of a new role for the customer, in a participant-driven business: By understanding *who* among your customers is influential, by noting who is at the center of a specific conversation, and by developing relationships with these people, you create the opportunity to more deeply understand why they feel—positively or negatively—the way they do. You can use this information in a forward-looking (proactive) rather than reactive manner to drive innovation and to ultimately shape the conversations in ways that benefit rather than hinder your business.

Looking at Figure 2.2, you can see that the product or service experience creates a conversation, one that is often directed or intended for a specific audience and which often exposes or suggests an opportunity for innovation. This is the new role of the customer, expressed through its impact via the traditional CRM process, integrated now with a social component.

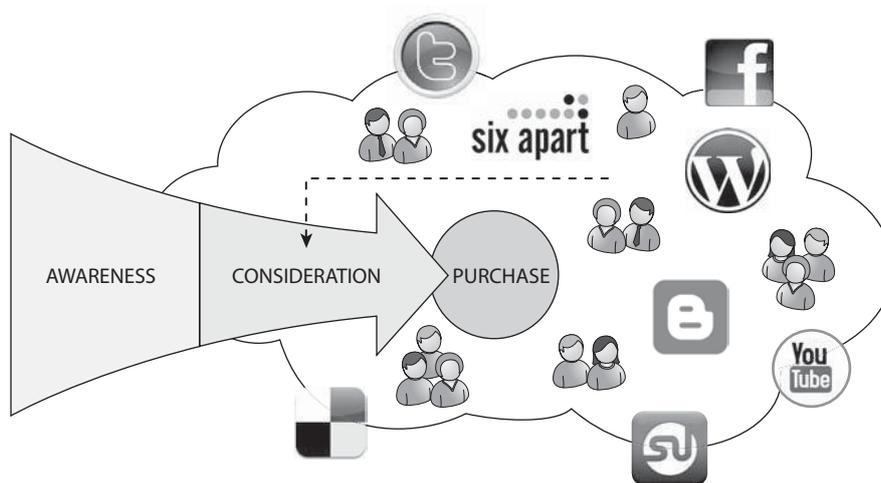


Figure 2.2 The New Customer Influence Path

## The Social Graph

Just as you are able to track your communication with an existing customer through the relationship life cycle, you can track customers and other influencers through that same relationship as they create content and converse on the Social Web. This can be very enlightening and is really useful when pulled into the product design process.

Social CRM helps you understand and apply the significant points in the conversations happening around you. It helps you tie this information into your business, where you can use it to build relationships with influential customers and with influential bloggers, critics, and others who follow your firm or track your business or industry.

You can apply this same discipline internally, too, and connect customers and external influencers to your employees, to the Customer Service manager, to brand managers, and to others. Once connected in this way, your customers and employees can bond further, moving toward collaboration. It's collaboration that drives customer-centric product and service innovation, and collaboration that leads to the highest forms of engagement with your customers.

If you now add to this your data around customer registration or similar information that you may have collected separately—remember, like any other form of CRM, Social CRM tracks specific profiles and contacts, so it can be synched with existing customer data sets—you can begin to track what the people who matter to you, your current and prior customers, are saying about your product or service, or about your brand, firm, or organization in the context of actual purchases and experiences. You can use this same process to bring other influencers—bloggers, for example, who may not be customers—into the Social CRM pool as well. All of this adds up to information you can use to drive change and innovation, just as Starbucks, Dell, IBM, and others are doing.

How do you do it? Consider a tool like BuzzStream, a representative tool with basic Social CRM and social graph capabilities centered on influencer identification and contact management. Figure 2.3 shows the BuzzStream console and the social linkages identified for a typical discovered influencer and the corresponding profile of interest.

BuzzStream and similar tools include “influencer” dashboards that allow the easy monitoring of conversations based on keywords and the conversion of source data in much the same way as basic social web listening tools works. With the influencer monitoring tools like Buzzstream, the profiles and links of people directly contributing to the conversation you are following are converted into contacts in an influencers database that can be managed alongside your other customer data. Note that BuzzStream provides one component of a larger Social CRM effort: Combined with your business data, deeper social analytics and an internal collaboration platform, BuzzStream's contact information provides an easy way to manage subsequent conversations with the influencers around your brand, product or service as you track issues, look for opportunities and introduce innovations driven in part by these same conversations.



Figure 2.3 BuzzStream and the Social Graph

At the heart of tools like BuzzStream is the social graph, a map of who is connected to whom. Social influence and Social CRM tools work by “crawling” the personal and profile links in your online conversations to find information about the source of the conversation in much the same way as a searchbot crawls page links to find related or supporting content. Starting with a comment or a blog post, BuzzStream looks for a reference to a website or email or Twitter handle that may be present in or near that post. As it finds contact information, the social graph crawler will organize and return potential or contact points.

As these contact points are discovered, a list of potential links and identities are grouped together and presented through the dashboard. As a human (Yes, we are still needed!) you can review this information and pick out the bits that actually seem related. Then, click a button and create your influencer contact. A typical contact may have a profile name, a Twitter handle, and perhaps an email address or phone number. Over time you’ll add to it, as your *actual* relationships with these influencers develop. Once created, any tweets, emails, or similar will be logged, just as with a traditional CRM system. You can then build and manage your relationship with these influencers just as you would any other contacts.

### Google’s Social Graph API

Google publishes an API—a way to access existing functionality within Google’s open code-base—that supports the development of applications that can crawl the public pages on social sites and present the related links, providing the social graph of a specific person. Check it out: Even if you’re not a programmer understanding what it is and how it works is useful.

<http://code.google.com/apis/socialgraph/>

## Social CRM: Two Cases

Enough theory! It's time to take a quick look at two cases in order to understand where and how Social CRM and similar concepts can be applied in business.

### The Women's Fund of Miami-Dade County

The Women's Fund of Miami-Dade County serves women and girls in the Miami area. The purpose of the organization is supporting and working with women and girls through programs that stress self image, pride, self reliance, a sense of belonging, and purpose in their community that result in their reaching full potential as individuals. Facing the issues common to many local nonprofit organizations, The Women's Fund of Miami-Dade County sought to improve its website, connect in a more efficient manner online with donors, and in general develop a more functional online presence built around staff and member participation. This included Social CRM efforts.

Working with local agency The Cunningham Group, the social business strategy included a combination of basic online blocking and tackling, Social CRM, social-media-based promotion, and plain old, traditional "feet-on-the-street" marketing, as social media and its various incarnations, like any other form of media, are best applied *in addition to* the other forms of marketing and communications that remain important to businesses and organizations.

Although many of the "social makeover" goals were related to the use of social media and/or basic business objectives—the use of member's content and the provision of up-to-date information about the organization and its programs—there was also a deeper effort aimed at engaging visitors with the donor program. For nonprofits, the donor program is the engine of the organization: Without donors, the mission and very existence of many of these types of business is threatened.

Because it leverages traditional CRM and then extends it to the Social Web, Social CRM is an ideal approach to building a robust donor program. Through Social CRM, not only can the relationships with current or past donors be maintained, but the relationships with potential donors or those influential in the donor identification and activation process can be identified and built.

Working with Tasha Cunningham, the Women's Fund did the following:

1. Created content in easy-to-consume formats. Recall that consumption is the first building block in social engagement. Podcasts, YouTube-embedded videos, and similar forms of content were used.
2. Leveraged this new content as conversation starters. Participants were invited to rate, review, comment—to curate—and thereby to move themselves up the social engagement ladder. The Women's Fund's "Real Women, Real Voices" campaign resulted.
3. Connected this content to the actual, real-world impact of the organizations' grants and donors programs. Participants are now able to see directly what

happens as a result of their participation whether through time, financial contribution, or the investment of personal social capital—recommending to a friend that he or she consider supporting The Women’s Fund, for example—thereby completing the engagement cycle.

4. Internally, The Women’s Fund undertook a web-based extension of its Social CRM system to connect its staff with donors, board members and supporters, completing the collaborative cycle.

Taken together, The Women’s Fund of Miami-Dade County is tapping Social CRM in a straightforward and sensible, strategically sound manner. Their work is a solid example of how Social CRM can be applied by local nonprofit organizations.

For more information on the The Women’s Fund of Miami-Dade County and The Cunningham Group, see the following:

<http://www.womensfundmiami.org>

<http://www.thecunninghamgroup.com>

### **SoHo Publishing**

Soho Publishing, LLC, a local B2B publishing firm, began business in May of 2005. The main product was the Milwaukee-based *Magazine Soho*. In March of 2009, Soho launched Sohobiztube.com, a multimedia delivery platform for marketing, promoting, and positioning small entrepreneurial businesses.

Rather than the personal brands of small business founders, which typically form the story in small business write-ups, the focus of the companies featured in *Magazine Soho* is on the brand, products, services, and employees—everything *but* the founder. After all, in keeping with the social aspects of customer and employee ownership, these companies need to focus on why they are in business and what they are promising to their clients and customers. In May of 2009, Soho Publishing, LLC held Milwaukee’s first, one-day social media seminar to further drive home the ideas of a true customer focus and where it could take a small business with a great idea and solid, customer-backed execution.

Cd Vann, Publisher of *Magazine Soho*, doesn’t consider herself a social media advocate, thought leader, or guru. She is a business owner who wants to take advantage of new media strategies and apply them to her work. Sohobiztube.com, a related site, gives customers—*Magazine Soho* clients—a way to easily contribute content that highlights products and services. The result is a strong B2B connection linking these businesses to their marketers through social channels.

It was in this spirit that Cd created Sohobiztube, a Social CRM and publishing platform that pulled customers into the consumption and curation stages of engagement, and in doing so enabled small business owners to recognize and tap into their customers as a source of direction for their respective businesses, just as Cd had done with hers.

For more information on Sohobiztube, see the following:

<http://sohobiztube.com>

### **Vendor Relationship Management**

Given the rise of the Social Web, the new role of the customer and the concepts of Social CRM have a counterpart in business supply-chain processes: Vendor Relationship Management (VRM). Beyond employee-customer interactions and Operations-led production and delivery processes, what are the additional points of impact in the creation of the customer experience? What about businesses with a more complex supply chain, or whose control over the delivery experience depends on the direct or indirect contributions of other firms and organizations? Think about vacation and destination travel services, where a holiday package offered through American Express may involve multiple customer-facing partners. How do the concepts of Social CRM transform?

The Cluetrain Manifesto holds that the best marketing is conversational, built around interaction between the business and its customer, and between customers themselves. This philosophy underlies Social CRM in that it ties the conversation—not just the transaction—into the business processes. Vendor Relationship Management is about the application of the social tools that create and support collaborative conversations throughout the supply chain and delivery channels. To the extent that the Social Web is the evidence of pushback by consumers against traditional marketing in favor of a more collaborative experience with brands, products, and services, VRM is about extending the sought-after collaborative experiences to the entire supply chain.

Jon Lebkowsky, a cofounder of Austin, TX–based Social Web Strategies, along with Doc Searls, a leading proponent of VRM, and others are advancing this issue. You'll find more about Jon Lebkowsky, Doc Searls, and VRM here:

[http://en.wikipedia.org/wiki/Vendor\\_Relationship\\_Management](http://en.wikipedia.org/wiki/Vendor_Relationship_Management)

<http://cyber.law.harvard.edu/research/projectvrm>

[http://en.wikipedia.org/wiki/Jon\\_Lebkowsky](http://en.wikipedia.org/wiki/Jon_Lebkowsky)

[http://en.wikipedia.org/wiki/Doc\\_Searls](http://en.wikipedia.org/wiki/Doc_Searls)

### **Outreach and Influencer Relations**

In the prior sections, I presented the new role of the customer and the impact of this new role on business disciplines like CRM and the identification of influencers. I've shown how Social CRM fits into an organization's intelligence and relationship management program, and how it ties the response-driven foundation of traditional CRM to the Social Web's customer-driven engagement process. Social CRM literally ties

your business into the influence path that is guiding the development of your markets by connecting you with the conversation makers.

In this next section, the focus is on very specific conversation makers: the bloggers who cover your particular market or “speak” to your customers and stakeholders along with the more general group of influencers who play a nontrivial role in the way in which your product or service finds its way into your customers’ shopping carts.

### **Social CRM and Blogger Outreach**

In referencing bloggers and blogger outreach, I’m *not* talking exclusively about A-list bloggers. These individuals are certainly factors and have most definitely earned their reputations by consistently delivering value to their subscribers. However, the idea that “reaching them” and asking them to do your bidding is somehow a sufficient social marketing effort is misplaced at best, and it will land you in trouble at worst.

Like celebrities, A-list bloggers are few in number and easy to spot. There are lists of them, making them easy to connect with. As a part of your blogger outreach program you’ll want to connect with the A-listers that matter to you, but a word of caution: Holding to their own professional standards—their personal brands depend on it, after all—the A-listers will write as they please. Develop a relationship with them when your product or service is up to snuff. Prior to that, or when first establishing your relationship with them, look for ways to help them out but don’t do it out of expectation for a favor. Simply pay it forward, as the saying goes, and focus on delivering a great product or service. The rest will follow.

A-list bloggers write to satisfy a passion and not (primarily) for a paycheck, though many do earn a living or contribute significantly toward one through their writing. Their passion is their chosen topic and the process of sharing the information related to it with others. You want these people in your camp, no doubt about it. But there are others that you need as well.

Far more important at the outset is to identify, reach, and build solid relationships with the B, C, and as comedienne Kathy Griffin puts it, the D list. You are looking for the people who have a reach of 10, 100, or 1,000, maybe even 10,000 who write for *your* market. *These bloggers are looking for the information that you have.* They would love to write about you—again assuming that what you offer is worth writing about—if only they knew about you.

This is where tools such as BuzzStream, Sysomos, Scout Labs, and Alterian’s SM2 platform really shine. They’ll help you find the sources of conversations that relate to your business, and then through their own decoding of the social graph, they will connect enough information together (in most cases—no system is ever perfect) that you can initiate a relationship and then develop it through a managed Social CRM and influencer program.

### **BuzzStream: Who Matters and Why**

BuzzStream offers a set of tools that automate the process of building a relationship with bloggers and influencers:

- When you find someone who's writing about the topics you care about, BuzzStream crawls their social graph for you, discovering the other places they write or create content.
- BuzzStream keeps track of your communications with the people you've identified and does so for you and for other members of your team.
- BuzzStream provides tools that make it easy to manage the people you are most interested in—e.g., “all food bloggers assigned with more than 500 Twitter followers.”

You can find out more about BuzzStream here:

<http://www.buzzstream.com>

### **Social CRM and Influencer Relations**

Influencer relations extend the basics of blogger outreach one more level, taking your outreach and relationship management efforts to the individual level. In an AdWeek post covering the release of Accenture's 2010 Global Content Study, columnist Marco Vernocchi summarized one of the key findings this way:

*“Target individuals, not audiences. The days of thinking about audiences in broadly defined demographic buckets are over. As consumers abandon analog and consume more and more content on digital, connected platforms, media companies have been handed an opportunity—an obligation, even—to engage with customers as never before.”*

This is again where the power tools come in. You don't have to “meet and greet” every single customer: Instead, you need a way to identify them individually when they need or want your attention—a capability of a traditional CRM program—and you need a way to engage these people and connect them into your business so that the collaborative processes they'll engage in have a chance of taking root. This is the *Social CRM* component on your overall social business program, and this is what you are after.

The Social Web is open to all comers: there is a place for everyone in your program. Today's one-off customer interaction may just turn someone into tomorrow's evangelist. In addition to known customers, bloggers, and enthusiast influencers, your Social CRM program will identify and help solidify relationships at a near-grassroots level with large numbers of local or small-network influencers. Added up this can be significant, and it is well worth your effort.

Here's why: Aside from reaching and building relationships with people who may be influential to large groups of people important to you—a blogger with a following, a journalist, an industry expert, or similar—consumers are increasingly making their purchase decisions based on information, tips, and recommendations from “people like themselves.” Take a look at the sidebar on the Edelman Trust Barometer and go and download that free report (a PDF file). The Trust Barometer, itself from a trusted source, makes a very convincing case for both the need for social media listening programs and for extracting from these conversation the information and insight you need to position your business for long-term success.

### **The Edelman Trust Barometer**

The Edelman Trust Barometer is a measure of the relative trustworthiness of various sources of information. Over the past 10 years there has been a significant shift, corresponding first with the mainstream adoption of the Internet and more recently with the use of social tools. In short, traditional sources of trust—people like CEOs, analysts, and news reporters—have been replaced with “people like me,” with word-of-mouth and curated social media. It is a significant shift that you cannot ignore.

You will find the complete 2009 report here:

<http://www.edelman.com/trust/2009>

### **Influencer Relations: A Representative Case**

Following is a quick case on the use of Social CRM tools for influencer outreach. In this case the primary challenge was assembling a cross section of influencers from a very large and distributed set of individuals who are influencers of relatively small numbers of people. It's a great example of the “influencers” challenge described previously.

#### **Grasshopper**

As a B2B virtual phone services company, Grasshopper's motivation in adopting a Social CRM program for its business grew out of its need to understand and internalize the influencer process and customer renewal cycle. The business objective for the company's use of social media was simple enough: According to Jonathan Kay, Grasshopper's Ambassador of Buzz, “Everywhere you look, someone should be talking about Grasshopper.” We should all want for as much.

Strong believers in social media and “PR 2.0,” the firm doesn't have an agency, and they're not focused on pumping out press releases. Instead, they're focused on building relationships with influencers. Pay it forward, right? This includes traditional media small business stalwarts such as *Inc. Magazine* and *BusinessWeek*, along with

high influence blogs such as *TechCrunch* and niche bloggers in both the mid- and long-tail that are focused on entrepreneurship and business (hardware) communications.

Grasshopper's marketing strategy depends heavily for intelligence on its Social CRM program. Jonathan routinely engages with people on Twitter and other brand outposts where they talk about Grasshopper, entrepreneurship, and similarly related topics. Based on the content of these conversations, Grasshopper's Social CRM program connects people who are looking for information with those who have it: the firm's brand evangelists.

Having looked at a number of platforms, Jonathan concluded that most important to him was a Social CRM toolset that fit the *workflow* of a marketer, and one that automated the capture of the conversational information. His starting point in influencer discovery is typically a blog post, a tweet, or a forum post, which he finds based on specific key words that appear in the conversations. From that starting point, Jonathan needs to turn this raw data—the conversations and possible contact links—into an actual contact. Going forward, he also needs to keep track of their subsequently published content and the associated metrics underlying his developing relationship with this person.

BuzzStream, the tool Jonathan uses, manages the process for him, automatically bringing back the information that he scans before creating an actual contact. Once done, supporting metrics and outreach tracking built into the platform complete the picture. Social CRM platforms like BuzzStream increase outreach efficiency, which in turn allows the development of more and stronger relationships with the influencers that matter to Grasshopper.

For more information on Grasshopper, see the following:

<http://grasshopper.com>

## Review and Hands-On

This chapter defines the new role of customers and stakeholders—the recipients of the experiences associated with the product or service you are providing—and then connects those customers and stakeholders into your business. Social CRM is the larger analytical process that wraps all of this and helps you understand how to respond in a dynamic, conversation-driven marketplace.

### Review of the Main Points

This chapter explored the more participative role of the customer and the tools that support the new expectation of an opportunity to talk back to the brand, so to speak, and shape future experiences and interactions. In particular, this chapter covered the following:

- Social CRM is a business philosophy. It refers to the tools and technologies used to connect your customers and influencers into the forward looking,

collaborative processes that will shape your business or organization as you move forward.

- Where your traditional CRM system is transaction-centric—defining customers in terms of behaviors related to past purchases or interactions—Social CRM is about tapping “what’s next” from their point of view. Like traditional CRM, Social CRM is most useful when applied at the business (operational) level.
- Influencer identification programs—whether targeting bloggers specifically or consumer/enthusiasts and similar influencers—can be automated, with the resultant conversations routed directly into your organization and to the people where it can be most effective. Look for automation, workflow, and contact management when selecting social media analytics and influencer identification tools.
- Your employees are an integral component of your social business program. Implementing a knowledge-assimilation-and-sharing platform can beneficially impact the ability of your organization to respond to customer-generated innovation.

In summary, social business involves the entire organization and the complete management team in response to the newly defined role of the customer *as a participant* in your business. Some of the concepts and technologies may have grown out of or been most recently associated with marketing. Unlike the adoption of social-media-based marketing initiatives, however, picking up on and implementing ideas generated through social business inputs requires the participation of the *entire* organization.

### **Hands-On: Review These Resources**

Review each of the following, combining the main points covered in the chapter and the ways in which the following resources expand on these points. Then tie each into your business or organization:

Paul Greenberg’s “Social CRM Comes of Age”

<http://www.oracle.com/ocom/groups/public/@ocompublic/documents/webcontent/036062.pdf>

Jeremiah Owyang’s listing of Social CRM tools

<http://www.web-strategist.com/blog/2009/12/08/list-of-companies-providing-social-crm>

The 2009 Edelman Trust Barometer

<http://www.edelman.com/trust/2009>

### **Hands-On: Apply What You've Learned**

Apply what you've learned in this chapter through the following exercises:

- 1.** Define your ideal Social CRM platform: What are your business objectives, and who are you looking to create relationships with? How would your current customers fit into this, and how might they participate in your business or organization?
- 2.** Integrate step 1 into your current CRM and product design programs. Who will participate in the various initiatives that define your plan? What is the role that you see customers playing?
- 3.** Identify the key stakeholders in the departments you will need to work with in order to address and resolve the *broad types* of issues you are likely to encounter.



# Build a Social Business

*Creating a social business—that is to say, a business that is connected through deliberately collaborative processes with both its customers and its employees—is the task now facing many C-level and other business executives with similar responsibilities. Web 2.0 is challenging business leadership not only in the marketplace but now as well across business fronts ranging from corporate reputation and the attraction and retention of key employees to the design of new products and services. This chapter looks into the fundamental concepts of what makes a business “social.”*

## 3

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### **Chapter Contents**

What Is Social Business?

Social Business and Measurement

Employees as Change Agents

## What Is Social Business?

Social business—the application of social technologies as a formal component of business processes—revolves around understanding how your customers or stakeholders connect to your business and how you reshape your business to understand, accept, and innovate based on their involvement. Social business is about integrating all of your business functions: customer support, marketing, the executive team, and more. It means doing this for the purpose of creating collaborative innovation and engagement at meaningful, measurable levels tied clearly and directly to your company’s business objectives.

### Social Businesses Are Participative

Ultimately, social business is about participation with and by your customers and stakeholders in pursuit of an organization that is strongly connected to them through participative and collaborative processes. As a result, a social business is often better able to respond to marketplace dynamics and competitive opportunities than a traditionally organized and managed firm. This may occur through participation in a social community, a support or discussion forum, or any of a variety of other social applications and contexts. The efforts leading to the creation of a social business often begin with identifying or creating an opportunity for participation with (or between) customers, employees, or stakeholders within community or similar social applications.

An important point to note here is that when social business practices are approached and implemented correctly, everyone wins. By bringing customers into the business, or directly involving stakeholders in the design and operation of the organizations with which they are associated, a steady flow of ultimately constructive ideas emerges. One of the biggest misconceptions about social media and the Social Web as regards business commentary is that it’s all negative, that the participants are all complainers and whiners. Not so.

In a 2007 Zenith Optimedia study, of the 3 billion or so word of mouth conversations that occur worldwide, every day, about 2/3 of them involve or reference a product, brand, or piece of media. Moreover, positive mentions significantly outweighed negatives. The fact is, unless your business strategy is to generate negative comments—I can think of a few outfits for whom that might actually be the case—the Social Web very likely presents significant opportunity for building your business and improving it over time.

Building a social business starts with establishing a community or other social presence around or in which your brand fits naturally—whether through a casual presence on Twitter, a more involved Facebook business presence, or your own community built for suppliers, partners, or customers. Element 14, an Indian electronics components supplier, offers engineers using its catalog a community that facilitates idea

sharing, shared ratings, and collaboration around hardware solutions. The community is now a core component of Element 14's B2B go-to-market strategy: The engineer's community drives new applications, more timely information shared between engineers, and a stronger connection between Element 14 and its business customers.

### **Build Around Customer Participation**

Regardless of who the community is intended to serve, strong communities are best built around the things that matter deeply to the members of the community: passions, lifestyles, causes, and similar fundamentally aligned needs. This applies whether the audience is primarily business—B2B communities like Element 14's engineering community or Dell's "Take Your Path" small business owners community form around very specific shared needs common to small business owners—or a personal-interest B2C or nonprofit or cause related community.

The core elements powering a social business in any case need to be something to which the community members (customers or potential customers, for example) will spontaneously bond, and that as a result will encourage them to invite others to join. In the case of Dell's "Take Your Own Path," the common element is the unique set of challenges faced by small businesses. If you've ever met a small business owner, you know how passionate they are about what they do. Dell has found a very effective way through the practices of social business to tap this by identifying and serving the needs of the small business owner—for example, by encouraging discussion about finance and investments in business hardware.

Similarly, smaller communities—think here about the need to reach highly defined groups of customers, where personal interests drive strong relationships—are prime opportunities for social business initiatives: Again, take for example Dell and their "Digital Nomads" program, aimed at a specific segment of Dell's customer base that literally thrives on the availability of an online connection. Digital nomads are productive in the office or outside of it, staying in touch with friends and updating colleagues on work in progress through social applications as close as the nearest WiFi enabled coffee shop or hotel. One of the common factors identifying "Digital Nomads" is the combination of lifestyle and digital tools, along with the wherewithal to get connected in just about any situation. Dell hardware powers this and thereby taps into the nomadic lifestyle of these on-the-go professionals. It's important here to recognize that communities like "Digital Nomads" and "Take Your Own Path" are not defined by a business or consumer or nonprofit motive—call this *your* point of view or need—but rather by the needs and desires of the *participants* within these communities.

### **Participation Is Driven by Passion**

Getting the activity focused on something larger than your brand, product, or service is critical to the successful development of social behavior within the customer or

stakeholder base and as well within the firm or organization itself. After all, if narrowly defined business interests take center stage, if the social interaction is built purely around business objectives, then what will the customers of that business find useful? What's in it for them?

Further, how will the employees of that business rally around the needs of your customers? At Southwest Airlines, employees are bound together in service of the customer, through a passionate belief for the freedom to fly being a reality for anyone. So much so that when times are tough or situations demand it, the employees don the personas of “Freedom Fighters” and literally go to work on behalf of preserving the “right to fly” for their customers. As Freedom Fighters, they keep the characteristic Southwest energy up: This translates directly into the positive conversations about this aspect of Southwest Airlines found on the Social Web. Being a Freedom Fighter is the kind of powerful ideal that unites businesses and customers and the kind of passion—for travel, exploration, or the ability to go out and conquer new markets as a business executive—that powers Southwest. It's the kind of passion around which a business traveler's community can be built.

### **Build a Purpose-Driven Business**

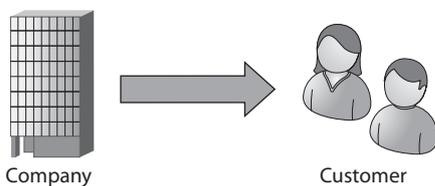
If you're interested in how Southwest Airlines built its legendary service teams, you'll find the complete story in “It's Not What You Sell, It's What You Stand For,” by GSD&M's Roy Spence and Haley Rushing. If a business fails to connect to its customers through their passions and points of interest, it cannot hope to engage them in ways that lead to collaboration.

While the preceding section used community formation as an example, the social business summary point is this: By understanding the passions, lifestyles, and causes that are relevant to your customers, you can identify the best social pathways through which to build connections to your product, brand, or service. This is where a number of otherwise well-intentioned efforts go wrong: Attempting to build a community around a brand or product will often fail as participation is driven primarily by advertising expenditure and (costly) promotions rather than by organic interest generated by and between the participants themselves.

### **In Search of a Higher Calling**

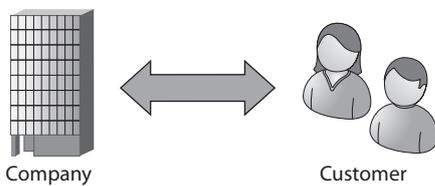
The surest way to avoid this trap is to appeal to passion, lifestyle, or cause—in other words, to anchor your initiatives in something larger than your brand, product, or service: Appeal to a “higher calling,” in a manner of speaking, one that is carefully selected to both attract the people you want to associate with and to provide a natural home or connection to your brand, product, or service.

Figure 3.1 shows the traditional business model: You make it, you tell your customers about it, and they (hopefully) buy it. This works well enough provided your product or service delivers as promised with little or no need for further dialog. It helps too if it is marketed in a context where traditional media is useful and covers the majority of your market. Traditional media has wide reach, and it is interruptible: This provides a ready pathway to attentive customers and potential markets. The downside is that traditional media is also getting more and more expensive—TV advertising costs have increased over 250 percent in the past decade—and it’s harder to reach your entire audience: What took three spots to achieve in 1965 now takes, by current estimates and measures, in excess of 100. Figure 3.1 is largely representative of this basic approach that has defined business for the past fifty years.



**Figure 3.1** Traditional Business

Figure 3.2 shows an evolved view of business and the beginning of a move away from a purely transactional view of the customer: The customer receives (or consumes) marketing messages, for example, buys the product or service, or enrolls in your organization, but then also goes on to provide feedback, whether directly through a survey card, via CRM or similar or through a listening program that collects and analyzes conversations. The difference is that there is a feedback mechanism: As such, compliments can flow your way, and concerns, because they can be expressed, don’t turn into frustrated rants provided of course that something is done about them. Recall that this opportunity to listen and understand, and thereby craft a response, is a direct benefit of participation with customers, whether through traditional methods or as now, on the Social Web.

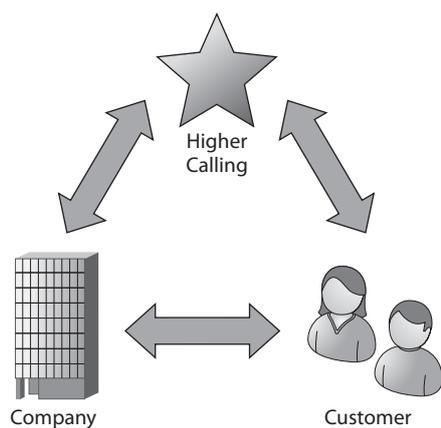


**Figure 3.2** Evolved Business

Finally, Figure 3.3 shows the business-customer relationship when the idea of a higher calling is introduced. The higher calling forms a common bonding point for both the business or organization and customers and stakeholders, and in particular

in the context of social participation with a business. To be sure, savvy marketers have tapped this best practice even through their traditional campaigns: At GSD&M | Idea City, where I worked with clients ranging from the Air Force to Chili's to Land Rover, Walmart and AARP, we connected the brand with the customer through a shared value and purpose, something larger than the brand itself and to which both the brand and customer simultaneously aspired. This created a very powerful linkage that transcended the basic brand-consumer relationship. This same type of appeal to a common purpose or value that is larger than the brand itself can be applied in an analogous manner on the Social Web.

Social media takes this practice to the next level. Social media inherently revolves around passions, lifestyles, and causes—the higher calling that defines larger social objects to which participants relate. The social media programs that are intended to link customers to communities and shared social activities *around the business*, and thereby around the brand, product, or service must themselves be anchored in this same larger ideal. Compare Figure 3.3 with Figures 3.1 and 3.2: Simple in concept, getting this larger social object identified and in place is critical to the successful realization of a social business.



**Figure 3.3** The Higher Calling

Here is a down-to-earth example: Tupperware, and more specifically Tupperware parties. Having seen more than a few of these first-hand as a child, a Tupperware party seemed to me to be little more than a dozen or so women getting together to spend a couple of hours laughing and talking about plastic tubs. Obviously, I didn't get it: There was a higher purpose involved, a much higher purpose: Tupperware had tapped into the basic human need for socialization, and a Tupperware party provided the perfect occasion to link this need with its product line. The combination of great products, meeting its customers' human needs (social interchange) as well as their practical needs (efficient, organized food, and related item storage) has helped Tupperware build a business as timeless and durable as the products it sells.

Pepsico’s “The Juice” campaign is another example of how this higher calling and shared purpose (in the traditional marketing context, extended to social media) works. The strategy behind this campaign shows how effective social media programs—and the savvy businesses with the skills to correctly execute in this medium—really work. Built on BlogHer, The Juice was a core element of the promotional platform for Pepsico’s low-cal Trop50 brand orange juice. BlogHer co-founder and COO Elisa Camahort Page shared the following insight—consistent with the idea of a higher purpose. The campaign anchor—the social motive—for BlogHer and The Juice *is not* the sponsoring brand. Instead, it is something larger: The anchor is found in the common interest of *all* women around seeking ways to find more balance, more health, and more helpful tips for use in their lives. PepsiCo’s value proposition to its customers and the larger BlogHer community as both sponsor and purveyor of Trop50 fits naturally within this.

The Juice benefits from the natural alignment between brands, interests, passions, lifestyles, and causes along with the specific tasks, questions, and the things people want to know more about. It’s the questions they want answered, the moments they want to share, and the problems that they want solved that drive this effective social program.

### **Spend Your Way to a Social Presence**

The appeal to a higher calling—to a lifestyle, passion, or cause—is what drives organic participation and growth in online social communities. The payoffs are lower ongoing expenses and a higher degree of “stickiness” and participation and advocacy for the community. Given the central role established for the higher social object, a question arises here: What is it that powers social marketing applications, communities, and sites *which lack a cause, passion, or lifestyle connection* as seen in programs like Pepsi’s “The Juice”?

The answer is typically spending. This is not to overlook the great creative work that goes into promotional campaigns, but rather to note that spend-driven programs versus purpose or values-aligned programs will often lag in the organic growth that truly powers social media and the waves of activity that occur on the Social Web.

To understand why this is so, compare the social appeal of the Old Spice Deodorant social media campaign shown in Figure 3.4 with the basic social appeal of Facebook, Orkut or other social networking sites, where participation is driven largely out of a desire to interact with other members of these networks. People join them to meet other people as well as to share experiences around the brands they love (along with a whole lot of other things).

Great social sites grow organically based on an individual’s realization of a reason to be there: Facebook and Orkut, for example, both deliver on the basic desires of people to meet other people and socialize. Members see the value in “more members” so they actively encourage their friends to join. The obvious purpose and basic appeal of these sites combine to drive organic growth.

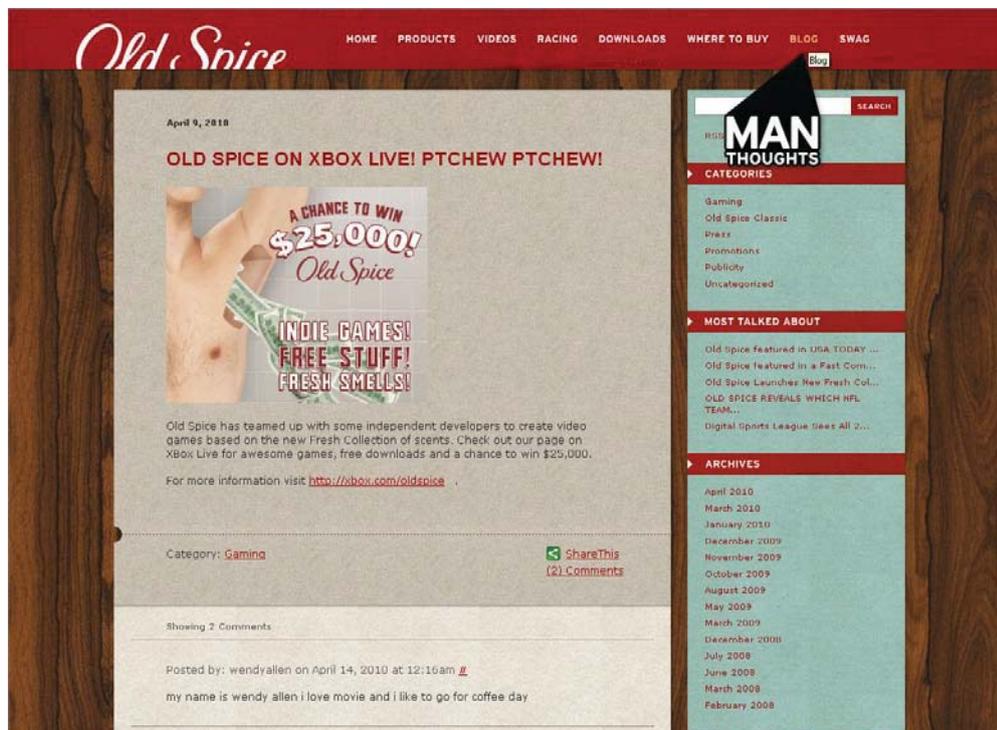


Figure 3.4 Old Spice “Swaggerize” Campaign

As a result, participation and organic growth occur naturally, without the need for costly promotions: People will join social networks like Facebook and Orkut and use these services on their own, for hours at a time, without paid incentives.

By comparison, the participation in the Old Spice deodorant campaign—which includes many of the same basic social elements like a blog, send-to-friend and similar—is driven by awareness advertising and a continuous series of promotions and contests, all of which come at a direct cost to Old Spice. This is not necessarily a negative. From a marketing perspective, this may be a very effective campaign. That said, lacking a genuine lifestyle, passion, or cause at the root of the social motivation it’s clear that when the promotional spending supporting the Old Spice social site stops, the activity in the campaign will likely subside as well. Compared with the ongoing organic (free!) growth of a passion- or lifestyle-driven community, this is likely to be a more expensive and less engaging route, and not as likely to result in the types of collaborative behaviors that are associated with solid social business initiatives.

In the case of the social business, the collaboration occurs in two venues: customers between other customers, and customers between employees. In the latter, collaboration generally occurs *only* when your customers develop sufficient trust—and your employees develop sufficient visibility—such that the two begin a conversation

about how the business may be changed for the better. When charting your course in social business, be sure that you distinguish between social media *marketing* efforts—like the Swaggerize campaign—and social business programs that more tightly link the personal lifestyles, passions, and causes of customers with the business and its products and services as was done with Pepsi’s “The Juice.” Social-media-based marketing efforts like Swaggerize can drive awareness—and there is value in that. That said, The Juice builds on the organic growth and participation in the underlying BlogHer community by naturally placing its product into this context. There is a compelling (and measurable) value to the brand in that, too.

### **Three Levels of Social Activities**

Jake Mckee has created a nice articulation of the views on building a social presence advanced by Chris Brogan and others. Following this view, the activities that surround social media and social business can be thought of in three layers:

#### **A Home Base**

Your home “brand” or organizational home base consists of your website, related properties, and associated microsites.

#### **Outposts**

The outposts are the properties or sites that you do not own or control, but in which you participate and create connections. Twitter, Facebook, and Orkut are examples of outposts. Importantly, brands can have an “official” presence in these outposts, which can be managed as a part of a larger, integrated marketing and business effort.

#### **Passports**

Passports are the places where you are invited or otherwise welcomed to participate: A guest blogging program or a blogger outreach program, for example. Note that if your participation is not overt in its connection to your business, you should take the steps needed to ensure such disclosure.

You can read more about the concepts and best practices around the use of a home base, brand outposts, and passports here:

<http://www.presenceframework.com>

<http://www.chrisbrogan.com/a-simple-presence-framework>

### Build Your Social Presence

Campaign-centric communities are *not* the focus of a social business program. If you find yourself thinking “campaign,” you are either heading for social-media-based marketing or traditional/digital marketing that is made to “look like” social media. Beware: The focus of social business—distinct from social media marketing—is around the application of the Social Web to business in ways that are driven fundamentally through organic versus paid processes and which are intended to benefit your business generally versus sell products specifically.

Organic communities and Social Web activities built around a business are designed to exist independently of direct spending in marketing, with the possible caveat of initial seeding. They are intended to inform the business, to connect it to its audience, and to encourage collaboration between customers and employees toward the objective of improving the business, and to sustain this over time for the purpose of driving superior business results. It is equally likely that the software and related infrastructure expenses of a social business program will be paid for through Operations or IT as through Marketing.

Again, this is not to say that there is no value in spend-driven communities. There is potentially significant promotional value that arises out of measured fulfillment against marketing and advertising goals. It is to say that in addition to these types of marketing campaigns, social business programs are centered on core business objectives and expressed through an appeal to the lifestyles, passion, and causes of customers. These types of programs are specifically put in place to encourage collaborative participation. The collaboration that occurs between customers and between employees is the root focus of social business.

#### The Elements of Social Business

The following are helpful when considering a social business strategy. Taken together, and built around a central alignment between Marketing and Operations, these core elements support an organic approach to the application of the Social Web to business. The later chapters that focus on each are also indicated.

#### Customers, Stakeholders, and Employees

Beginning with the conversations occurring on the Social Web, actively listening, responding, facilitating collaboration, and retaining customers are among the primary objectives of a successful social business implementation. Chapter 5, “Social Technology and Business Decisions,” Chapter 6, “Social Analytics, Metrics and Measurement,” and Chapter 7, “Five Essential Tips When Starting Out” in Part II along with Chapter 8, “Engagement on the Social Web,” and Chapter 9 “Social CRM,” in Part III provide tips, best practices, and examples of how this is accomplished.

## **The Elements of Social Business** *(Continued)*

### **Communities and Forums**

Built around a cause, lifestyle, passion, or similar attraction, communities and forums encourage social interaction between participants. These community and similar platforms create natural conversational space—controlled by the community participants—that can be simultaneously useful to a business or organization. Chapter 10, “Social Objects,” and Chapter 11, “The Social Graph,” provide insights and cases supporting the development of strong online communities and forums.

### **Social Applications**

Social applications are the components of a social business implementation that connect participants within existing communities—think Twitter, Facebook or Orkut—to which they belong. Social applications deliver on a specific need or utility that exists within the community but is not directly provided by it—for example, a Facebook application such as Super Wall or the SocialVibe cause-supportive application delivered through Facebook. Social applications can be used to express the brand and/or deliver a brand-related value—like being able to trigger or direct a contribution to a selected cause—without leaving the larger community in which the application is deployed. Chapter 12, “Social Applications,” provides a deeper dive into social applications and how to plan your use of them.

So what is it that drives organic growth and sets the social technology-powered business on a road of its own? It comes back to the initial assertion that organic growth occurs around lifestyles, passions, causes, specific task-based utilities, and similar participant-centric activities and interests rather than brand-, product-, or service-centered attributes. The primary challenge is therefore to align or connect the firm or organization to an existing community or to build one around an existing lifestyle, passion, or cause that connects to the core business.

In Figure 3.5, the fundamental relationship between experiences that are talked about (word of mouth), community participation, and the function of the brand outpost is shown. Unlike social media marketing, the application of the Social Web to the business itself views the participants as an integral component of the business, rather than simply participants in a campaign. In this context, the naturally occurring (non-paid) activities of participants are the most valuable. The design of the social business components is powered by the activities that are sustained through participant-driven interest.

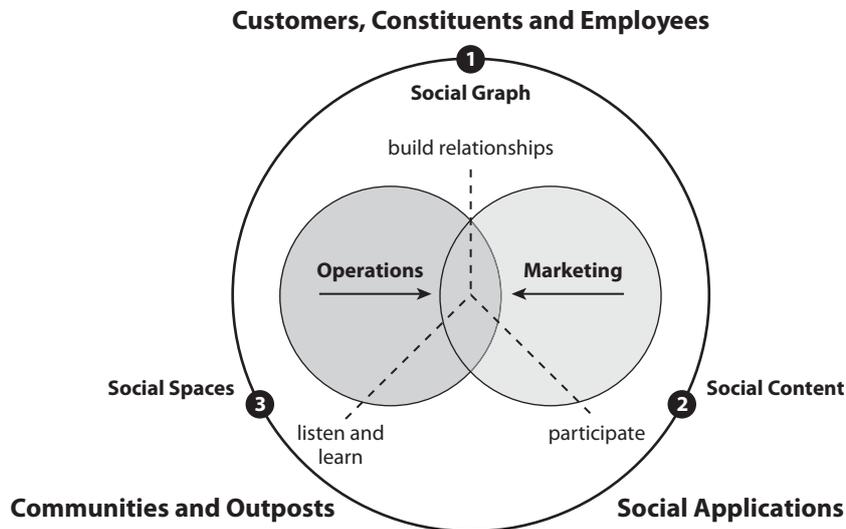


Figure 3.5 The Social Business

### Business as a Social Participant

People gather around a shared interest, cause, or lifestyle in pursuit of a sense of collective experience. Important to understand is that they are often motivated by an apparent desire to talk about a brand, product, or service experience with each other, relating this to what they have in common. What they have in common may in part be that brand, product, or service, but it is generally also something deeper. Apple products—and the following they have created—are a great example of this: Apple owners are seemingly connected by Apple products, but in a deeper sense they are connected by the ethos of Apple and the smart, independent lifestyle associated with the brand.

For LEGO enthusiasts—and in particular adult LEGO enthusiasts—there is a gathering that occurs on LUGNET.com along with a variety of other fan-created websites, forums, and blogs. Conversations appear to revolve around LEGO products, but in reality the higher calling is the shared passion for creation, which LEGO (as a product) facilitates. While LEGO creation may bring members to the community, and while it may be the common thread that unites a seemingly disparate group, the camaraderie is what keeps members together years upon years. A business or organization is itself in many respects a social place. In much the same way, the social business is a place where employees and customers gather together around a common purpose of creating the products and services that define—and are often subsequently defined by—the brand and its higher purpose. Employees and customers, together through collaboration, create the experiences they want: Together they are responsible for the business. When the conversations that result are a reflection of this shared interest of both customers and

employees, the conversations themselves are very likely to be powerful expressions that carry the business or organization forward.

This kind of end result—an expressed passion around a brand, product, or service—is associated with the higher stages of engagement. Beyond consumption of content, engagement in the form of curation of community interaction, creation of content and collaboration between participants are the activities leading to advocacy. Consider the role that collaboration plays in contributing to the sense of ownership as a result of the combined efforts of employees and customers, participating together in the creation of a shared outcome. This sense of joint ownership, however subtly it may be expressed, is in fact a reasonable and even required customer sentiment that once and for all “cuts through the clutter.”

### **Brand Outposts**

As a result of the growth in social activities on the Web, there is a natural expectation on the part of consumers to find the brands they love in the social sites they frequent. As a matter of course, customers expect this kind of presence and participation. In addition to the branded community efforts described prior, an alternative (or complementary) approach to connecting a brand or organization with an *existing* community also exists: The creation of *brand presence*—known as a brand outpost—within an established social network or online community—a Facebook Business Page, a Twitter presence or a YouTube channel to list just a few. In creating a brand outpost—in comparison to a self-standing community—there need not be any reason other than the expectation for the brand to be present and a tie back to business objectives that are served by such a presence. There does, of course, need to be a relevant contribution by the brand, product, or service *to the community it wishes to join*. Simply posting TV commercials to YouTube, for example, is in most cases not going to produce engagement beyond the firm’s own employees and perhaps their families watching these commercials. New content created for YouTube—Freescale’s allowance of employee videos—is the kind of content that is both welcomed and appreciated, since it is created specifically for this venue.

In particular, Facebook members expect to find their favorite brands on Facebook. So Aircel, an Indian Telecom provider, created a Facebook application that embeds Aircel voicemail services within Facebook, providing both a link to customers in an important new media channel and a point of competitive differentiation. Aircel Customers present on Facebook, who as a group tend to be younger and savvier when it comes to their use of the social web use this application to stay up with voicemail without ever leaving Facebook. The Aircel voicemail application is shown in Figure 3.6.

Citing its own business objectives around customer service, Australia’s Telstra created its Twitter presence (@telstra) partly out of recognition that Twitter is a burgeoning customer service portal and that—as is the case with Facebook, Orkut, and other leading social networks—its own customers expect it to be there.

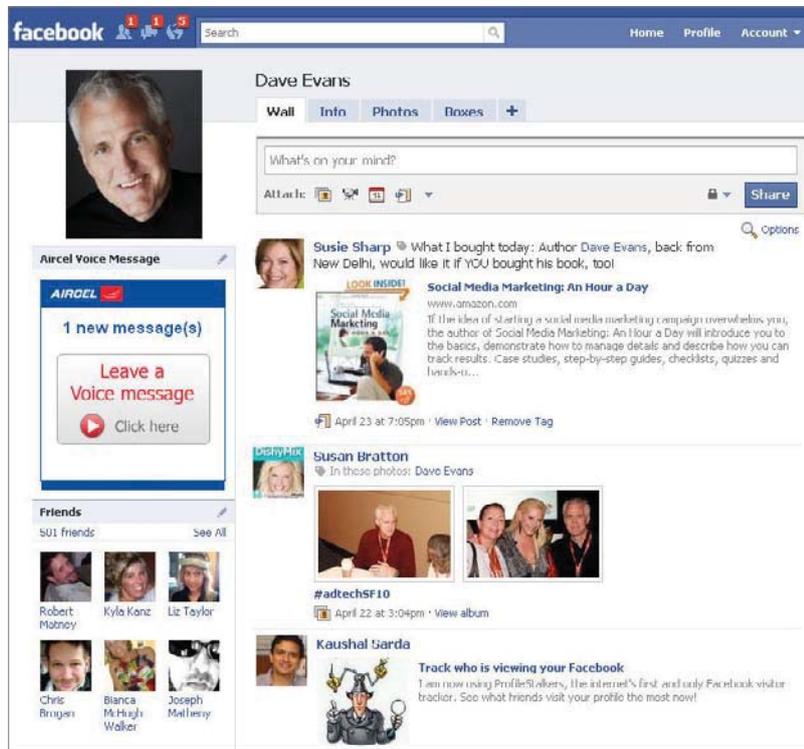


Figure 3.6 Aircel: Facebook voicemail

This kind of presence in existing social networks is welcomed as it makes sense from the perspective of consumers. Most brands are present in all of the other places where people spend time: on TV, on the radio, in movies (before the show and integrated into it), in all forms of outdoor advertising, and at sports events and more. Social sites—the new gathering place—are no exceptions. Movie studios, soft drink brands, auto manufacturers, and more are all building “brand outposts” on Facebook, Orkut, and other social sites because their audience spends significant time on those sites. Many of the brands and organizations participating in the social web are coincidentally skipping the development of dedicated product microsites and even major TV brand campaigns in favor of a stronger presence in these social sites. As a part of your overall social business strategy, don’t overlook the obvious: Orkut, Facebook, Twitter, LinkedIn, Slideshare, Delicious...all offer places where your business or organization can add value to the larger social communities that naturally form around these social applications.

## Social Business and Measurement

Before diving into the use of social media in business, consider the basic measurement methods as they apply to the business use of social technology. Chapter 6 explores measurement and metrics in-depth. As an initial step into the integration of metrics

within your social programs, however—and to get you thinking about this aspect of undertaking a social business effort—consider the assessment of participation, applied knowledge transfer, and the measurement of social activity in general as a starting point to a quantitative guide in building and running your social business.

### **Collaborate**

Collaboration—sitting atop the engagement process—is the defining expression of measurable engagement. Marketers often speak of engagement: For example, one might focus on time spent on a page, or the number of retries a customer is willing to undergo before meeting with success. Measures such as “returning visitors,” connected to concepts such as “loyalty” are also used as surrogates for engagement. While all of these have value within the discipline of marketing—and most certainly have a role in establishing efficacy of brand and promotional communications over a period of time—they do not in and of themselves provide a quantitative basis for the stronger notions of engagement as defined in the social business context. The direct observation of collaboration does.

Collaboration between community members, between employees, or between a firm and its representatives comes about when both parties in the transaction see a value in completing the transaction, often repeatedly. The output of collaborative processes—the number of jointly developed solutions advanced in an expert’s community, for example—is directly measurable. Think about counting the number of collaborative processes that lead to a solution, or the number of shared results. Each is an indicator of the respective participant’s willingness to put effort into such processes. In this sense, the quantitative assessment of collaboration becomes a very robust indicator for the relative strength of the engagement process.

### **Participation**

Participation is likely one of the easiest metrics to capture and track. Indicators of participation can be gathered from existing measures—content creation, curation, and the number of reviews, comments, and posts—and can then be used to assess the overall levels of interest and activity within online communities.

#### **Foursquare—Gaming Drives Participation**

Foursquare is a location-based service that provides users with tips left by others when they check in at a specific location. To help spur participation, Foursquare uses a gaming-like point system—which itself is a useful metric for the Foursquare development team—that directly rewards participants for checking in, adding new venues, and leaving tips—exactly the activities that increase value for the Foursquare community.

<http://foursquare.com>

At the most basic level, as with any online interaction, the activity itself can be tracked. Accessing a page, submitting a form, downloading a file and similar content measures provide a well-understood framework for measurement. However, given the existence of *profiles* (explored more in the next section) and the behaviors associated with *curation*—rating, ranking, etc.—much more interesting and useful metrics can be established and used to create very robust measures of participation.

As another aspect of participation and its direct measurement, consider “point-based” social community reputation systems. Participants in a support community are very often rewarded through increasing social rank based on contribution to the community. Upon joining, you may be assigned the rank of “newbie” and then over time earn your way to “expert” status as you contribute and gain the votes of others in the community as they curate your contributions. At some level, there is a basic point system that is translating individual actions within the community into personal reputations: it may be visible, or it may be buried in the inner working of the community’s reputation management system. Either way, it’s there and can be tapped as a source of metrics. When participants do something beneficial, they earn a point. When they do something that offends the community they might lose a point. Track both and you’ve got a solid assessment of participation.

In a thoughtful analysis using tested techniques applied in a novel manner, social media strategist Bud Caddell points out a very straightforward method for calculating the relative distribution for participation and thereby gaining quantitative insight into the role of community influencers. Bud’s method—simplified—is based on a statistical approach to tracking the spread in variance based on ratings points over time. Communities that have high variance are being influenced by a relatively small number of people compared with those with lesser variance. This is important because over time what is generally desirable is a more equitable distribution of participative effort—lower variance—across the community.

### Measure Relative Participation

Bud Caddell’s insightful measurement technique for assessing the degree to which a community is influenced versus peer led is not only useful, but also shows the ways in which existing, well-understood statistical techniques can be applied to behavioral analysis when setting up measures of participation for your online community. You can follow Bud on Twitter: @Bud\_Cadde11.

<http://www.seomoz.org/ugc/measuring-participation-inequality-in-social-networks>

As a practical example of the ways in which measurement can be brought to social computing, consider the ongoing investment and attention to social computing at IBM. Literally for decades, IBM employees have been building, studying, and improving its implementation of social computing both internally connecting employees—and externally—connecting customers.

### **Social Networking for Business**

For more on the direct application of social networking and social computing for business, consider reading Rawn Shah's "Social Networking for Business," published in 2010. Follow Rawn on Twitter: @Rawn.

<http://www.onlinecommunityreport.com/archives/599-Online-Community-Expert-Interview-Rawn-Shaw,-IBM.html>

In a 2010 interview, Bill Johnston, now with Dell, talks with Rawn Shah, Practice Lead for IBM's Social Software Adoption effort, about assessing internal versus external participation:

*Internally we have a closed population of users where we know all the individuals involved. Therefore our internal metrics can be focused down to the activities of specific groups and populations of individuals—we avoid getting down to specific individuals to protect privacy—so we can assess participation based on organizational role: regional versus global sales, for example. Externally however, the population is much more mixed and rarely do we have data per specifically identified people. This leads us to very different types of behavioral information: internally we can categorize users by their level of participation (zero, low, medium, high, elite) in our social environments, and then examine the actions or distribution of these members across the geographies. With the external environment, social media monitoring tools and services from other companies allow us to take the pulse of activity along different topics. We then have to infer behavior based on the level of interest in topics across the Web.*

### **Applied Knowledge Transfer**

Understanding and tracking participation is obviously important in managing the growth and development of a collaborative community. However, participation is only half the challenge. Participation speaks to action but not necessarily value. The key to measuring the *value* of participation is simultaneously ensuring that something useful—as defined within the community and then connected to your business objectives—is

also happening. It's a lot like the general notion that "having momentum" is good. True enough, but ensuring that it is not primarily the angular variety is also important.

How do we keep from spinning in circles? By tying levels of participation and collaboration to an ultimate end point: the accumulation of applied knowledge—for example, a wiki of customer solutions that have been tested and are known to work—in the context of specific business objectives.

Whether your social business application is internal, external, or a combination of the two, the ingredients for success are high levels of participation and the realization of useful applied knowledge—the "value" component that defines many communities. Platforms like Salesforce.com's "Ideas" are particularly good in this regard because they encourage participation and in the process create a useable body of collaboratively amassed knowledge that can be directly applied to a business or organizational challenge or opportunity.

Assessing the sharing of solutions, for example, is surprisingly easy. Combining two best practices taken from the business uses of social computing points the way. First, track the overall accumulation of content and ideas. Then, encourage the community to curate and refine this content, pushing the most valuable content to the top and improving it over time. Establish a "cutoff" based on the norms of your community and measure the applied knowledge or resultant solutions created that are ranked at or above that threshold.

As a further basis for the evaluation of knowledge and solution transfer, weight the amount of content produced by the curation scores—in other words, develop a weighted scoring that emphasizes the value of more useful content—and then track that over time. Tie the profile data into this, and you'll spot the sources of high-demand expertise, both within and external to your organization. You can then study the internal sources and extract the best practices associated with these relatively higher knowledge sources and apply these resources across other teams. Externally, you can use tools such as BuzzStream (covered in Chapter 2, "The New Role of the Customer") to build relationships with the leading holders of external knowledge.

### **Frank Leistner**

Frank Leistner is SAS Institutes' Chief Knowledge Officer. Frank's book, *Mastering Organizational Knowledge Flow*, published by Wiley and SAS Business Series, guides you through the process and considerations useful when developing collaborative teams inside your organization.

You can find the book at leading booksellers, and you can follow Frank (@kmjugg1er) on Twitter.

### Social Activity

In addition to the measures of *what* is happening within the community, brand outpost or the internal online workspace, *where* the activities are occurring also lends itself to measurement.

Starting with social profiles, one of the easiest (and as it turns out most important) metrics to keep track of is profile completeness. Long ago, LinkedIn implemented an easy-to-understand indicator of profile completeness: Does a specific profile include a picture, an address, and contact information, for example? Because this information is often central to creating a relationship, the average state of completion is worth knowing. Profile data, actual content production, and community reputation are the primary visible attributes on which a decision to accept a connection request are based. Be sure that you have a way to assess these.

Relationships themselves are also worth tracking. To what extent is a community driving the creation of relationships? How many are being formed, and between whom? This can be understood by tracking the number of unidirectional (think “following” in Twitter) relationships as well the number of mutually affirmed friendships or other similar connections that exist. Add to this the relative number of communications that flow between mutually connected profiles to create a measure of the importance of relationships in day-to-day activities.

Outposts and communities—the places where social activity happens—are a final source of quantitative data that leads to an assessment of value. Within these social spaces, tracking the number of member versus nonmember interactions (if the latter are permitted), the number of times members log in, membership abandonment (for example, members who have not logged in for 90 days or more) all provide a basis to understand—quantitatively—what is happening inside social communities and by extension with the organizations that implement social media-based business programs.

Chapter 6 provides an in-depth treatment of these and additional metrics: As you work through the next sections, keep these initial measurement techniques and sources of data in mind. Rest assured that when you’re implementing social computing and social media techniques as a part of a business strategy, the outcomes can most certainly be held to quantitative performance standards.

### Employees as Change Agents

Getting social business right depends on more than understanding what your customers or stakeholders are talking about and how that relates to your firm. Social business depends as well on connecting your employees into the social processes. For example, the learning vis-à-vis the social data collected may be routed to and applied in marketing, to operations areas like customer support or to other departments *within* the organization where it can be acted on.

The final link in the chain is therefore to connect employees (organizational participants in the more general sense) to each other and into the flow of customer information. This last section of the chapter introduces the internal applications of social technologies that lead to an effective response mechanism. This completes the customer collaboration cycle, shown in Figure 3.7, and enables the business to capitalize on the implementation and use of social technologies.

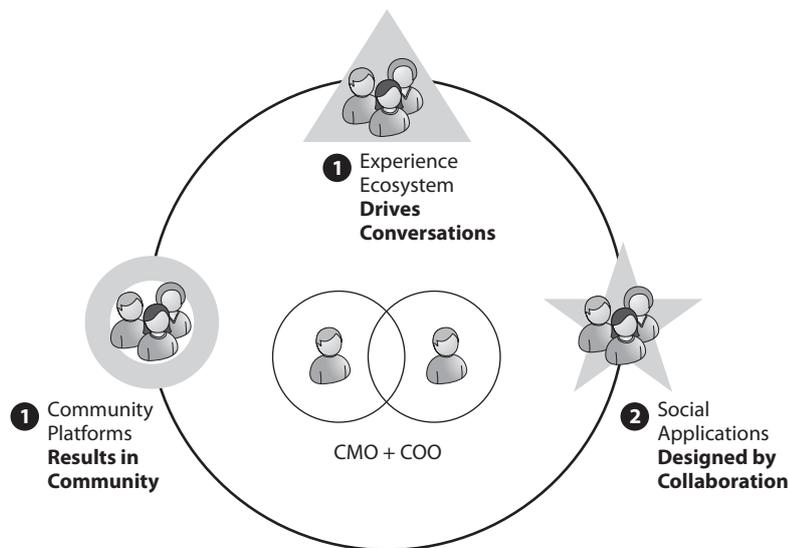


Figure 3.7 The Customer Collaboration Cycle

### Empower an Organization

Consider the following scenario: Imagine that your employer is a major hospital chain. Clearly, this is a complex business, and one that customers readily talk about. Health care in a sense is one of the “this was made for social” business verticals: It cries out for the application of social technology.

Taking off on social media marketing, imagine that you are in the marketing group—perhaps you are a CMO, a VP of Marketing, Director of Communications, or PR, or advertising for a community hospital. You’re reading through social media listening reports and you find conversations from a new mother that reflects a genuine appreciation for the care and attention during the birth of her child. You also find some pictures uploaded by the people who attended the opening of your newest community health care center. Along with that you find other conversations, some expressing dissatisfaction with high costs, unexplained charges, a feeling of disempowerment...in short, all of those things outside of the actual delivery of quality health care that make patients and their families nuts.

In health care or any other business vertical for that matter, what you're discovering is the routine mix of conversations that typify social media. So you get interested, and you begin monitoring Twitter in real time, using a free tool like Tweetdeck. One day you notice that a patient and her husband have checked in: They seem to like your hospital, as you note in the tweets you see in real time via Tweetdeck as they enter your hospital. By the way, this is an entirely reasonable scenario (and in fact actually happens). When I fly on Kingfisher or Continental, I routinely post to them via Twitter and very often hear back soon after. People do exactly the same thing when they enter a hospital and many other business establishments: Remember that if a mobile phone works on the premises, so do Twitter and Foursquare.

A few more tweets from your newly arrived patient and spouse pop through as they head from your hospital check-in to the waiting area and finally to pre-op. And then you see the following actual tweet, posted from inside your hospital, shown in Figure 3.8.



**Figure 3.8** An Actual Hospital Tweet: What Would You Do?

Looking at Figure 3.8, if you saw this tweet, in real time, what would you do? By clicking into the profile data on Twitter and then searching your current admittance records, you could probably locate the person who sent it inside your hospital in minutes. Would you do that, or would you let the opportunity to make a difference in someone's life, right now, just slip away?

It's these kinds of postings that take social business to a new level. Beyond outbound or social presence marketing, social business demands that you think through the process changes required within your organization to respond to the actual tweet shown in Figure 3.8. It's an incredible opportunity that is literally calling out to you. Don't let it slip away, which in this case is exactly what happened. That is not only an opportunity lost, but a negative story of its own that now circulates on the Social Web.

The conversations that form and circulate on the Social Web matter to your business, obviously through the external circulation they enjoy and the impact they have on customers and potential customers as a result. But they also have a potential impact inside your organization: Each of these conversations potentially carries an idea that you may consider for application within your organization, to an existing business process or a training program or the development of "delight" oriented KPIs. You are discovering the things that drive your customers in significant numbers to the Social Web where they engage others in conversations around the experiences they have with

you brand, product or service. As such, these would be the things considered “talk worthy,” and if you were to tap the ideas directly and incorporate them in to your business you’d be onto something. You are exploring the conversations that indicate a path to improvement and to competitive advantage, if you can only see the way to get there.

Too often, though, instead of taking notes, marketers sit there, frozen in panic. As a marketer, *what are you going to do* in response to posts like that of Figure 3.8? Your hospital Facebook page, your “New Parents” discussion forum and your connection to the community through Twitter are of basically no help in this situation. Marketing outreach through social channels is designed to connect customers to your business and to give you a voice alongside theirs, a point of participation, in the conversations on the Social Web. All great benefits, they are certainly the core of a social media marketing program. Problem is, you’ve already done this. Yet the challenging conversations—and opportunities lost—continue.

Distinctly separate from social media marketing, the challenge facing marketers in health care and near any other consumer-facing business, B2B firm, or nonprofit is not one of understanding or being part of the conversations—something already covered through your adoption of social media analytics to follow conversations as they occur. Instead, the challenge is *taking action* based on what customers are saying and then bringing a solution to them to close the loop. The challenge here is getting to the root cause of the conversation and rallying the entire organization around addressing it. That’s why the panic sets in, and that’s what makes social business so hard.

It’s at this point that social media marketing stops and social business begins. Going back to the health care example, billing systems, in-room care standards, access to personal health care records all require *policy changes*, not a marketing program. Hospital marketers are certainly part of the solution, but only a *part*. Social business extends across the entire organization, and typically requires the involvement of the C-suite or equivalent senior management team. Connecting employees, tapping knowledge across departments, and conceiving and implementing holistic solutions to systemic challenges is difficult. What is needed is a methodology that can be consistently applied. Touchpoint analysis—referenced in more detail in Chapter 5, “Social Technology and Business Decisions” is extremely useful in this regard. Touchpoint analysis helps pinpoint the root causes of customer satisfaction as well as dissatisfaction. Social business takes off from this.

In short, connecting employees in ways that encourage knowledge sharing converts whole teams from “I can’t do this in my department” paralysis into “As a collaborative business, we can solve this.” It allows employees to more fully leverage learning, by being aware of what is going on all around them in the business and in the marketplace. Customers are often more than willing to share their ideas, needs, suggestions, and even to put forth effort. The problem is, as the “Knowledge Assimilation” sidebar shows, most organizations aren’t set up to hear it. Some are actually built—or so it seems—to outright *suppress* it.

### Knowledge Assimilation

Ross Mayfield, founder and CEO of Socialtext, a social collaboration platform for businesses, noted the following on his blog:

- One percent of customer conversations are assimilated as organizational knowledge.
- Nine percent of customer conversations touch the organization, but no learning occurs.
- Ninety percent of customer conversations *never touch the organization*.

This data is excerpted from Greg Oxtton at the Consortium for Service Innovation (CSI). You can review the entire blog post here:

<http://ross.typepad.com/blog/2009/08/crm-iceberg.html>

If the degree to which businesses fail to assimilate knowledge is even close to what Socialtext CEO Ross Mayfield has noted in his blog—that only about 1% of all customer conversations result in new organizational knowledge while 90% of the conversations never even reach the business—the actual loss through missed opportunities to innovate and address customer issues is huge. Turned around, if only a small gain in knowledge sharing and assimilation were made—if every tenth rather than every hundredth customer (the current assessment of typical practices) who offered up an idea was actually heard and understood and welcomed into the organization as a contributing member—the change in workplace and marketplace dynamics would be profound. In a practical sense, you’d have uncovered a source of real competitive advantage. As noted, Starbucks is implementing, on average, 2 customer driven innovations per week since 2008. Take a look at its stock price over that period and ask yourself if these are perhaps related.

This is exactly what is happening with the “ideation” tools used not only by Starbucks and Dell, but by an increasing number of businesses and nonprofit organizations. Tapping customers directly, and visibly involving them in the collaborative process of improving and evolving products and services is taking hold. Chapter 12 treats ideation and its use in business in detail.

### Social Source Commons: Nonprofit Resources

A current listing of collaboration tools—with a particular relevance for nonprofit organizations—is maintained at the Social Source Commons:

<http://socialsourcecommons.org/tag/collaboration>

### Connect Employees to Employees

If knowledge assimilation throughout an organization is the goal, what's the path that leads there? Enterprise applied-knowledge sharing applications are *part* of the answer. Lotus Notes was one of the earliest providers of peer-to-peer shared workplace communications tools. Newer enterprise platforms include Basecamp, DeskAway, Lotus Connections, SharePoint, and Socialtext. Regardless, they all provide straightforward whole-organization implementations that can be adapted for nearly any application. For those with very specific needs, or simply a sense of adventure, programming frameworks like Drupal can be used to create solid internal (and external) infrastructures from the ground up. However you choose to build your organizational applied knowledge sharing platform, the essential objectives are covered in the following section.

#### Clear Policies

The first element of any social or collaborative undertaking is setting out clear policies. Applicable to any social technology application, establishing up front who can post, what they can and cannot say, what the rules of conduct are, etc. Most organizations will quickly recognize the need for such policies on *external* efforts: If not, the in-house legal team will quickly step in. The same considerations apply internally. Employee lawsuits and the issues that cause them are avoidable: Too many out-of-the-box intranet and knowledge-sharing applications are still launched without an adequate policy review. That's a roadmap to trouble. You can use Google to search for Intel's, IBM's, or similar organizations' policies on social computing: They will provide a great starting point.

#### Specific Business Objectives

Business objectives are next: *Why* are you doing this? When we first rolled out IBM's PROFS and later Lotus Notes at Progressive in the late '80s and early '90s, there was an overall business objective along the lines of "connecting people and tapping synergies" but not a lot else in the way of a definition or expectation. It was as much an experiment in innovation processes as a defined strategy for communication. To this point—I was part of it and loved every day of it—the idea of connecting employees in ways that broke existing hierarchies was new and the concept appealing.

Progressive has always been a dynamic, innovative company, and so a certain amount of pure experimentation fit into its culture. At the same time, not too long after rollout it became apparent that a lot of unstructured conversation was taking place, at least partly because the 1,000 (give or take) employees at the time realized—for the first time—they could talk to anyone else in the organization *instantly*. Because there were no specifically articulated and measurable objectives, it was hard to push back against it, to channel the energy where it would do some (business) good. Over time, business goals, policies, and expectations evolved and the platform became an integral part of work. So, outside of experiments, start with business objectives: By

setting expectations, policies, and objectives in advance, you can get where you want to go much more quickly than you would otherwise.

### **Lotus Notes**

Ray Ozzie, drawing on his experience with PLATO Notes, developed Lotus Notes in the '80s and then successfully commercialized it in the early '90s. Where PLATO Notes was the basis for early online discussion boards, Lotus Notes took the idea to the personal desktop and into business. You can read more about one of the earliest applications for organizational knowledge sharing here:

[http://en.wikipedia.org/wiki/Lotus\\_notes](http://en.wikipedia.org/wiki/Lotus_notes)

### **An Inclusive Rollout Program**

The rollout and launch program should accommodate everyone. There is an important insight here: Your customers will self-select: They will choose the technology they are comfortable with. Because they have a choice, they generally won't feel left out if they choose not to use some particular channel. Beware: When it comes to employees, there is a real "digital divide" issue. When implementing any internal workflow, sharing or similar application, it is essential that everyone be included.

Just *how* individuals are included is specific to the organization: The point to get right is to ensure inclusiveness. If the new enterprise platform is seen as being "for *those* people," then not only will it fail to deliver on the core goals of cross-functional knowledge transfer, it may actually force the organization *backward* as it reinforces rather than breaks the walls that stymie collaboration. Penn State's "Outreach" enterprise platform rollout (see sidebar) is a particularly nice example of the deployment done right.

### **Penn State Outreach**

Penn State rolled out an intranet platform—in about six weeks—to support its Outreach program in 2009. The steps that were taken to ensure acceptance by the entire staff are particularly noteworthy.

<http://www.thoughtfarmer.com/blog/2009/02/04/pennstate>

## **Review and Hands-On**

This chapter covered the concepts of building or reshaping a business or service organization to take advantage of Web 2.0 technologies. This chapter served to set a foundation for the processes, cases and specific solutions covered in detail in upcoming

chapters in Part III, “Social Business Building Blocks.” For now, focus on the attraction to social media by customers and how they use it to improve decisions and then ask yourself, “What if my organization could behave this way and tap this collective knowledge directly?” Digging into that question will lead right into the remaining chapters.

### Review of the Main Points

This chapter provided an overview of the considerations when moving toward social business practices. In particular, this chapter covered the following:

- A social business uses the same Web 2.0 technologies that power the broader use of social media to connect itself (externally) to its customers and to connect (internally) its employees to each other.
- Social media marketing and the activities associated with social business are fundamentally measurable. Because the activities are expressed digitally, integrating social media analytics with internal business metrics produces useful, valuable insights that can guide product and service development efforts.
- Your employees can be connected via social technology just as customers already are: Using a platform like Socialtext, for example, results in an internal, social-profile based linkage that encourages and facilitates collaborative problem solving.

With the basics of social business defined, you’re ready to begin thinking through what this might look like in your own organization, and how connecting your own working team together with customers through collaborative technologies can speed and refine your business processes that support innovation, product and service delivery, and similar talk-worthy programs.

### Hands-On: Review These Resources

Review each of the following, taking note of the main points covered in the chapter and the ways in which the following activities demonstrate these points:

- Arrange a meeting with your CIO or IT leadership to review the social capabilities of your current intranet or similar internal information sharing tools.
- Create an inventory of your current social media programs. List out home bases, outposts, and passports (see sidebar earlier in this chapter for definitions of each) and then define the metrics and success measures for each.
- Meet with the leadership of your customer service and product design teams, and meet with legal and HR to review the requirements or concerns with regard to connecting employees in a more collaborative manner, or engaging more fully on the Social Web.

### **Hands-On: Apply What You've Learned**

Apply what you've learned in this chapter through the following exercises:

- 1.** Define the basic properties, objectives, and outcomes of a collaborative application that connects your customers to your business and to your employees.
- 2.** Explore the available internal (enterprise) applications that connect employees with each other and with customers and thereby enable efficient response and resolution with regard to customer-generated ideas or challenges.
- 3.** Draw a map of how external information about a selected product or service currently flows through your business or organization and how it might (better) flow if internal collaboration were the norm or more fully developed and practiced.



# Five Essential Tips

# 7

*This chapter pulls together the three basic things you've simply got to get right if you are going to make effective use of the Social Web in business, along with two behaviors to avoid (and what to do instead). The chapter concludes with a set of best practices that will help guide the implementation of a social media program throughout your organization.*

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## **Chapter Contents**

Three Things to Do (and Why)

What Not to Do (and What to Do Instead)

Best Practices in Social Business

## Three Things to Do (and Why)

Listen, collaborate, measure.

Three words, simple in concept yet difficult in practice. At the core of social media—and indeed the deeper application of social technologies in a business context—is a process that is very nearly the reverse of traditional marketing and communications. Where traditional communications and advertising planning starts with a message and a target audience or target influencer, social media begins with an understanding of what consumers and influencers are saying about your brand, product, or service and then builds on that through participation (yours and theirs) for the purpose of encouraging higher forms of engagement, up to and including collaboration. This stands in contrast to prescribing and directing a message with the intention of persuading or driving awareness and conversion.

Taken together, listening, collaboration, and measurement create the basis for the highest levels of engagement. The objective of listening—simplified—is to enable a strategically directed response that leads to collaboration. This collaboration occurs in multiple ways: between the customers and business, between and among customers themselves, and between customers and employees. In other words, the end result of an effective social business program is a business-customer paradigm that is more or less equal in terms of who is listening, who is directing, and how it is that products and services are inspired or evolve over time. Around this entire process is wrapped a measurement methodology that ties it all back to the underlying business objectives.

The next three sections present, in order, listening, encouraging collaborative activity, and the measurement of conversations that are applicable to your social business program.

### Listen Intently, Respond Intelligently

Listening forms the basis of your social business program. It is one of the tangible, measurable connections between your business and your marketplace; it's a direct link to your customers. By developing a baseline of existing conversations, you can more quickly spot irregularities. If a sudden new interest or accidental or unpaid celebrity endorsement kicks off a wave of excitement, or a negative event or rumor around your product or service is suddenly running through the market, you'll see it in time to do something with it, or about it. Combined with a response strategy and a current understanding of marketplace conversations, you can build on the positive conversations and effectively respond to those that are negative.

Listening is a core skill for communications professionals. After all, communication begins with listening, right? Careful listening—in the context of the Social Web meaning listening, analyzing, and thereby understanding both the subject and the source—enables the ability to make sense of conversations and join into them. Rohit Bhargava, Senior Vice President, Strategy & Marketing with Ogilvy 360 Digital

Influence, refers to this process as *active listening*. In simple terms, *active listening* is built around paying attention to conversations and then responding based on a combination of strategy and measurement. Active listening is a key to understanding what to do and why on the Social Web, because it is the almost singular act that says to your customers, employees (for internal social technology implementations), or other stakeholders (the larger collection of members, staff, persons served, as with nonprofits or municipal organizations, for example) that you are truly interested in their ideas and what they have to say about your brand, product, or service. A listening program, integrated into your business practices, provides the intelligence you need to put these conversations to work.

By establishing listening as a core practice, and using what is learned to shape your response, you invite your customers into the processes that lead to collaboration. Given the opportunity and the tools, your customers will readily work together to create a better understanding among themselves with regard to what you offer. The Social Web provides the infrastructure for these conversations: Applications like social networks and support forums, for example, enable content sharing and similar participative actions that occur in and around online marketplaces. Ratings, reviews, recommendations, and content showing your product or service in use are among the first steps that are taken when it comes to sharing information in the marketplace that helps inform others' decisions, precisely because these are the things that help consumers make smarter choices. In the business applications of social media, this is core.

You can tap your customers' willingness to share information and improve the choices they make by connecting these conversations to your business. The first step in this process is active listening, using the information that is being shared for your own intelligence.

### **Create a Baseline**

Given the relative newness of the Social Web, there generally are no historical metrics that answer basic questions such as "How much conversation should one expect?" or "How many negative posts is too many negatives?" Some would say "One negative is too many" but that's probably not realistic. In any marketplace for any product or service, there will always be a range of opinions. It is, therefore, essential to establish your own baseline—think of this as a starting point—and build your response strategy off of that.

Beyond the practical problem of developing an accepted baseline, the common or "best" practices that might provide guidance when starting out are likewise just emerging. But even more, as a brand or organization moves toward a social business orientation, the unique differentiators that apply to a specific product or service, for example, begin to dominate in importance across conversations. Rather than the generic metrics—like number of units sold—social business is about understanding the specific ways in which your customers are talking about your products, again making it mandatory that you dig in, discover the metrics, and govern your business.

As an example, you may find little or no mention of your brand on the Social Web. In this case, your objective may be to build a conversation, and your baseline is the low background measure against which you can assess success. Or, there may be substantial conversation, with some relative distribution between positive, neutral, and negative. Tools like the Net Promoter Score factor in here: a score near zero indicates a roughly equal balance between promoters and detractors, something you should be able to see (through measurement) on the Social Web. In this case, your baseline is the relatively equal distribution of promoters and detractors, and your response strategy may be directed toward increasing the measured share of promoters. Whatever your specific starting point, it needs to combine active listening and influencer identification with a marketplace performance assessment such as the Net Promoter Score so that you can both tell what's happening now and be able to assess performance against business objectives as you progress.

That is, you need to begin with some data—what customers are saying, what they are concerned with, etc. Later, through collaboration you'll convert that to the knowledge you'll need to truly engage with your customers. At the outset, however, what matters is extracting enough *data* to sort out exactly where you are *right now*. Here's the good news: Most of the commercial (meaning, “for fee”) listening services provide historical information ranging from a few months of history to two years. You can use these tools to construct conversational baselines immediately.

Conversational baselines are obviously handy when the desire to “act now” is present (as if that's ever not the case!). Historical data provides the context for many of the programs that you'll implement going forward. Using a basic listening platform—whether a service like Google Alerts, a modestly priced DIY (Do It Yourself) tool like Alterian | Techrigy's SM2, Radian6 or Scout Labs, or the full-service offerings of TNS | Cymfony or Nielsen's Buzzmetrics, you can establish a conversational *baseline*. Figure 7.1 shows such a baseline. The listening program was “turned on” on January 1st, and a social media effort to encourage conversation was started shortly after. The listening platform provides historical data against which any change in conversational levels can be measured. The practice of creating your own baselines and understanding their significance—along with any changes that happen over time—is essential in making sense of the conversations that you are interested in.

As an important side note, *establishing a listening baseline can help you spot and manage a crisis before it's too late*. Whether it's a rumor about your brand, or an actual (negative) event that takes place with your product or within your industry, trying to sort out who is talking and how the conversation is connected to your organization after it has become widespread is too late. Instead of fighting the fire, you'll be swamped trying to figure out where it's coming from, losing valuable time at a point in the crisis management process where literally *minutes* count. With an effective baseline program in place, and an understanding of who your influencers are, as soon as you detect a rise in comments or the presence of a new and potentially damaging thread, you can be ready with a response that is directed to those who can help you.

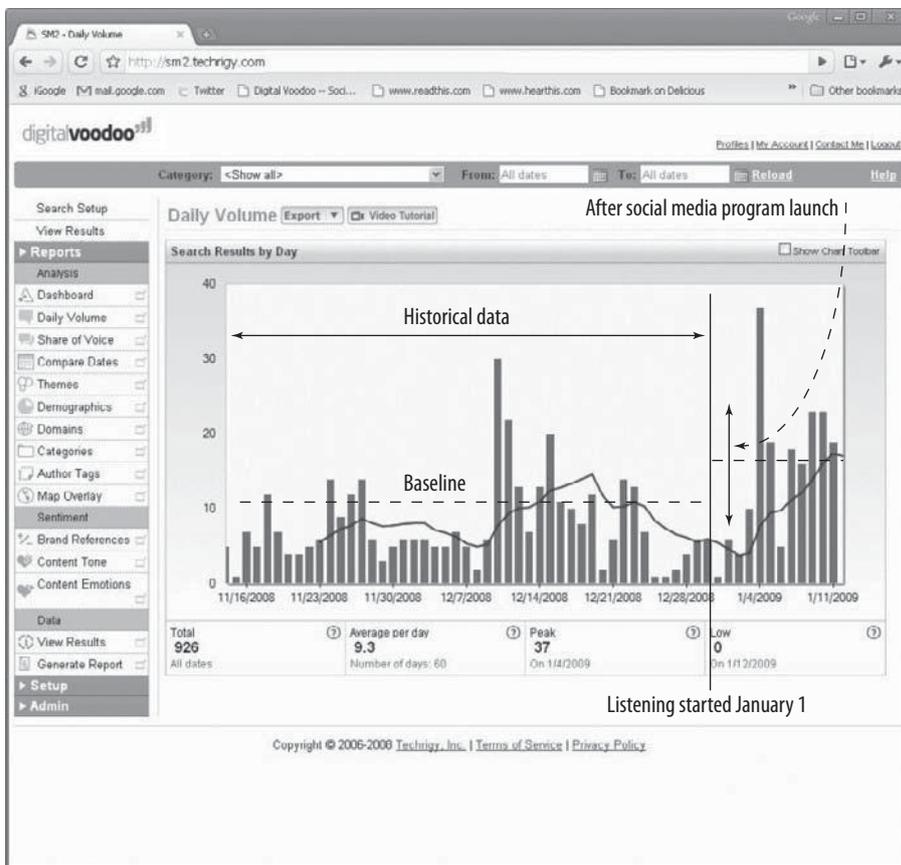


Figure 7.1 Baseline for Conversation

### Find Your Influencers

Moving deeper into listening, *who* is participating in the conversation is often as important as *what* is actually being said. Being able to identify participants who are more broadly connected, or who have a specific connection in your marketplace is clearly important. In PR, for example, you connect with media influencers and similar professionals by researching or subscribing to a database of known journalists, writers, analysts, media influencers, and so on. These people sit at the entry points of the media channels that convey your message to large, defined audiences. In this setting, getting your information to specific people is as easy (or as hard) as the readiness of your own contacts database enabled. (Getting them to do something with it, and more importantly what you wanted them to do with it is, of course, much more difficult.)

By comparison, one of the aspects of the Social Web that makes it more challenging than traditional channels of communication is that the influencers—in the conversational leadership and direction or tone-setting sense—can be literally anyone.

*How do you find them?* Sure, there are A-list bloggers within most or larger industrial and social/lifestyle verticals, and there known media pundits and subject matter experts who blog, write columns, host news shows, or produce similar commentary. While you may not be able to directly influence them, at least you can spot them and build appropriate relationships with them. But what about the smaller-scale or niche bloggers whose 1,000 or 10,000 or 50,000 subscribers also comprise a meaningful slice of your customer base?

Influencer identification—as a part of your overall listening program—is all about spotting and building functional, productive relationships with these individuals. This means taking an additional look into your influencers to pick out specific behaviors—what is it that a particular blogger is focused on within the larger industry covered, and what are the larger industry or cause-related issues that most or all of the bloggers you are following are themselves focused on? Understanding the interests and hot buttons of groups or specific types of bloggers that matter to you is as important as picking out specific bloggers. These people too are influenced by their peers and operate with the benefit of their own collective knowledge. That means you need to understand this as well. The tools used to develop marketplace and specific influencer profiles—recall Buzzstream from Chapter 2, “The New Role of the Customer,”—include crawlers that navigate the Social Web looking for connections *between* people, so they can be used to spot both individual and group behaviors.

One other point is in order here: On the Social Web, it’s not so much about the journalists, A-list bloggers, and influencers as it is about understanding who is repeatedly at the center of the conversations that matter to you. If the A-listers are at the center of your conversations, congratulations! You’ve got mail! More likely, it’s the enthusiasts, individual industry professionals, consumers with a knack for social media, and similar with whom you’ll want to create relationships. These people don’t have nametags and titles. Instead they have something that’s even better: a personal profile and a social graph that links them to the people who make up your target market. The challenge is finding these sources of influence, and tools like Buzzstream and Sysomos are designed to not only pick up on the listening aspects of your influencer research and baseline construction, but also to identify and connect you with the specific sources that are important to you.

In a socially connected setting, the influencers in a decision process are very often the actual users of the product or service who have also established a meaningful presence for themselves online. This person might be a homemaker who blogs about health, nutrition, or family vacation planning, or a photographer who publishes reviews of cameras along with techniques for lighting and subject composition. These are otherwise ordinary people, with a specific passion or interest, who have also made it a habit to publish and share what they love, hate, find useful, or otherwise want others like themselves to know about. These are precisely the people you want to find and build relationships with.

With the combination of listening and influencer identification programs in place, you can take a big step toward designing your business based on what your customers want. It's important to understand that this goes beyond "designing the products they ask for." Sometimes customers don't know what they want, or they don't know what is possible, or they want the wrong thing. Don't confuse listening and influencer identification with the wholesale turning over of your business design to your customers. At least as regards your brand, product, or service, it's still your ship: Your customers are the crew, and so can make or break the voyage.

### **Bring Social Learning (and Technology) In-House**

Using your listening program to discover and track important memes (thoughts and trends) and to spot influencers and create valuable relationships is Step 1. Connecting these to your business by identifying who within your organization needs to know about this, and who has the ability to do something constructive with it, is Step 2.

Social business is highly focused on the combination of getting marketplace information where it needs to go and ensuring that internally you have the kind of organization that can benefit from it. To do this, look at internal (enterprise) software applications such as Socialtext, Lotus Connections, SharePoint, or internal communities built using Jive Software, Lithium Technologies, and Salesforce.com. Dell's Employee Storm and Philips' use of Socialcast are examples of social technology applied internally to create powerful connections to customers. These connections were built to implement effective responses to conversations using the same types of applications *inside* the organization as were used by the customers to create those conversations *outside* the organization.

Very often, implementing a social business program means that before you get started with more engaging social technology programs that are outside your organization, you'll want to get to work within your organization, building cross-functional support and the capability to act on what you'll learn in the external marketplace. Going back to the purchase funnel and to touchpoint analysis, the challenge of managing conversations hinges on your ability to guide the conversations so that they help you. Because you cannot control the conversation directly, you instead manage and influence them through your own actions, through the products, services, and messages you deliver into the marketplace. Your overall response strategy—listening, and then bringing relevant information inside your organization, respectively—depends on your organization's ability to effectively connect external conversation with internal care and capability. Think of the actual response as step 3 following steps 1 and 2.

Having an internal, workflow-based process that receives, analyzes, and routes the conversations that matter to you is essential. Often overlooked, these processes and the people across your organization that are parts of them should be in place sooner rather than later. Setting them up can be a challenge—most people don't arrive at the office looking for more to do—but this is again where "listening" is such a great starting point.

### Bonus: Listening Is Low Exposure

The previous sections articulate an end-to-end listening and response process: listen, analyze conversation and spot influencers, and then connect this information with the customers, offering it internally to employees who can address it as required and respond, thereby closing the loop and creating a genuine sense of appreciation in the process.

As an example, consider an experience I had with Boingo, the Wi-Fi hotspot services provider. I was in Newark airport’s Continental terminal, and the connection was decidedly slow. I tweeted this information—in a helpful rather than snarky manner—to @Boingo. With 5 minutes, I had a response, asking me to run a quick line-speed test. That was nice, but what was even better was what happened a few days later. In my Twitter stream I saw a tweet from @Boingo: “People who are always on our radar: ...” and among the names listed was me, @evansdave. *In the eyes of Boingo, I was now an individual. I was recognized by Boingo as a specific customer.* As crazy as it sounds—or maybe not crazy at all—as the line from *The Grinch Who Stole Christmas* goes, my loyalty to Boingo “grew ten sizes that day.” Even in the rare months that I don’t travel—months that I know I will probably *not* be using a Boingo hotspot—I still happily pay the service fee. *I want Boingo to stay in business.* Listening and paying attention to what specific customers are saying is a great first step in building loyalty.

There’s an additional insight in the Boingo interaction, very much like the insights into the Freshbooks case presented in Chapter 5, “Social Technology and Business Decisions.” Businesses typically are not cold corporate entities, but rather are made of individuals who enjoy what they do and take pride in the end result. It wasn’t the abstract “Boingo Incorporated” that won me over: It was a one or more specific employees who were enabled to respond to Boingo’s customers in ways that resulted in a positive experience—even in the face of a negative issue—and to therefore earn customer loyalty. It is the implementation of these internal processes—flip back to the Freshbooks case too—that tap the collaborative, equal-footing relationship with customers that define and drive social business.

If you’re not sold on the value of a formal listening program, consider this: Unlike developing an external presence on the Social Web or changing a business process because of what has been learned, listening is an activity that is in itself low exposure. The response aside, you aren’t actually required to do anything: You are simply paying attention to what is already being said. Basic listening provides a way to gauge your actual requirements should you decide to begin responding (as @Boingo and @Continental and many others now do). Listening gives you the insights and information you need to make smart choices in how you might implement social technology in support of your business objectives.

In summary, you can use listening to build the social connections between your organization and your marketplace by first understanding what is being said and how it impacts you. You can do this without incurring significant costs (your time aside!) and without creating exposure. In effect, you can leverage basic listening to shape your

organization so that when the time comes it is able to respond by measuring the volume of conversations and sharing what you find within your organization. You can further leverage this basic data to encourage interest and involvement across the *internal processes* that span work teams or functional groups, again building the cross-functional discipline that you will ultimately need to be effective in your use of social technology. Getting your business ready to do business on the Social Web is a big part of the challenge ahead, and an effective listening program is one of the best starting points.

### **Encourage Collaboration Everywhere**

Second of three “must do” activities that form the basis of this chapter is *collaboration*. Collaborative activities sit at the top of the engagement processes. As such, moving your customers, members, and employees toward collaboration is a definite “must do” in your list of both marketing and (larger) business goals. Collaboration, whether internally across functional work teams, or externally (involving customers in product and service design, for example) is the inflection point on the path to becoming a social business.

As a basic framework for an organization-wide path toward collaboration (meaning “driving high levels of engagement, as defined in the social context”), consider the following set of steps developed at Ant’s Eye View:

1. Define your objectives.  
Begin with a clear view of your *business* objectives and an understanding of your primary customer base or applicable segment of it.
2. Listen.  
Implement a listening program to understand the specific conversations around your brand, product, or service. Use this same program to validate the actions you are considering, and then use it to measure or otherwise understand the impact of those actions.
3. Organize.  
Organize internally and externally around what you learn through listening. Create cross-functional teams, for example, that respond fully to the customer need rather than just the functional issues you discover.
4. Engage.  
Engage the customer through participation. Respond in the channels in which your customers are talking, implement the collaborative solutions that result, and then give your customers credit as this will encourage them to participate more.
5. Measure.  
Aggressively measure everything until you have adequate baselines to assess the impact of the programs on which you embark. You can always discontinue the collection of unneeded or uninformative data later. You can’t, however, make decisions based on information you don’t have.

Taking these steps together, collaboration occurs—or at the least is facilitated—in the fourth step; Engagement is a direct result of the preceding three steps. Collaboration, in this context, requires the active participation of both the customers and the employees—of the marketplace and the organization itself.

### **It's About Me...and Us**

Referring back to the process leading to collaboration—content consumption, curation, creation, and then collaboration—compare “content consumption” as applied to traditional marketing and business processes with its social counterpart. Consumption—whether of your mass market communication or the video assets you’ve placed on your website—is often described in terms of “engagement.” Look more closely, though, and what’s happening is actually a relatively passive and in most cases solo activity. Call this “traditional consumption” for lack of a better term: Whatever the term, this type of engagement is a relatively low-involvement form.

Now move to the social sense of engagement: What does it really mean for customers to be engaged in ways that engender conversation or sharing or the creation of new content? As people become more connected, their desire to be part of something larger only increases. When someone posts “I am standing in line at Starbucks...” or “Waking up to a beautiful day in Austin” on Twitter, the motivation is not sharing the fact that some particular activity is happening right now. Instead, it’s all about telling *yourself* that *you are part of a larger community*, and telling that community that you *appreciate* it being around you.

This is the kind of attachment that manifests itself in the relatively higher levels of socially inspired engagement—and in collaboration between community members, for example. If you see Twitter (and social media in general) as a big, meaningless, narcissism-fest think about that last point again: Participants truly value their communities and the tangible expressions of belonging. When one *belongs* to something, one takes personal ownership for it: This shows up in member-to-member curation, in solutions posted in help forums, in the entries developed over time in Wikipedia, and through many other similar expressions on the Social Web. This sense of participation and belonging is more encompassing it may seem: It’s not just “my own needs” expressed through “my own activities.”

In reality, yes, it’s “all about me,” but this includes “my knowing who’s (also) in line at Starbucks.” Whether connected through SMS, Twitter, Foursquare, or whatever, it’s about my knowing what is happening around me, and in particular with and among the people I am connected to through my entire (meaning, “across networks”) social graph. It’s about a larger, social view of what’s around, and the participant’s specific role within it. In a resounding setback, Facebook was called out when it botched its privacy changes in mid-2010: That said, the fact is that people willingly and knowingly share a *lot* more personal information than ever before, precisely so that *they*

*can see* some sort of reflection in the world around them that they exist. If this is even remotely accurate, the consequences and push-back for mass marketing are huge, as the coincident drive toward alignment with brands that recognize individuals accelerates. “As people take control over their data while spreading their Web presence, they are not looking for privacy, but for recognition as individuals. This will eventually change the whole world of advertising.”

ESTHER DYSON, 2008

### **It's Also About Engagement**

Across multiple forms of media—social media being no exception—*consumption of content* is typically the most likely activity. However, beware! Whether you're reading the paper, watching TV, or listening to the radio or a podcast, consumption is by all counts a fairly passive activity. Even when the activity involves social media (reading blogs, for example), 80 to 90 percent of the audience limits its activity to consumption. While this can be helpful from a marketing (awareness) perspective, it doesn't directly connect customers around the brand, product, or service in the kind of social context that leads to the higher forms of engagement.

It's important to get beyond content consumption and bring your audience to the level of a genuine connection. This means participating with them, getting them into the game, and placing yourself in it with them. The easiest way to do this is to do this is through social activities—not unlike real life—and to do it in the online social spots where your audience is already present.

As a starting activity, consider *curation*. Curation is built around activities such as rating, reviewing, and otherwise passing judgment on the content (or conduct!) of others in the community. Because this content has been made available in a social setting, curation is a natural next step. What does curation look like? It can be as simple as rating a post as “useful” (or not!).

Curation matters for two reasons. First, it is a reflection of the sensibilities and value system of the audience and/or community members. Curation and the general act of evaluating and rating content—videos, posts, articles, etc.—make it easy for others to quickly find what's valuable and learn about what the community values. Curation drives positive community experiences for the benefit of its members: Curation in the community and membership context helps provide a better experience for its members and thereby encourages the collaborative activities seen in the higher forms of engagement. Recall that these higher forms of engagement are what one is after through the adoption of social technologies. In consumer products, for example, these higher forms of engagement lead to better products and to better understandings among customers as to why these are in fact “better” products.

Importantly, engagement readily happens in the places where consumers and stakeholders naturally associate (which is why they join up and spend time there). Thought leaders like Jeff Jarvis talk about engaging customers on their terms, as an alternative to traditionally controlled forms of media: Pepsi elected not to participate in Super Bowl XLIV (That’s “44” for non-Romans). The Super Bowl is an event where millions of consumers gather in no small part to *watch the ads* (along with some football).

In an advertisers’ context, the Super Bowl is considered as a sort of crown jewel, and it is often a career make-or-break opportunity given the correlation—for the present anyway—between ad and media budgets and advertiser and media planner career trajectories. In a bit of a challenge to this, Pepsi is looking to expand its highly integrated program in the direction of increasingly *social connection points*: marketing touchpoints that put consumers in near-direct control of the tangible expression of the brand message in their world. Programs like Pepsi’s Refresh project, while still built around a multimillion dollar budget, channel spending into social projects that consumers suggest and vote on. This program directly defines the Pepsi brand according to the lifestyles, passions, and causes of its customers rather than those of its ad agencies.

If that last line sounds harsh, consider the millions of dollars spent over the past ten years on Super Bowl ads that consumers, by their own words, simply “did not get.” Pepsi’s Refresh avoids this fate by asking its customers directly “What do YOU want us to do to make our brand relevant in YOUR life?” This is the “higher calling” that was referenced in Figure 3.3.

Pepsi’s Refresh project, shown in Figure 7.2, along with its Juice program integrated into BlogHer (covered in detail in Chapter 3, “Building a Social Business”) are solid examples of moving toward a participant-controlled social marketing and business orientation that encourages collaboration.

Social programs in organizations like Pepsi, Starbucks, and Dell go beyond awareness (consumption) and instead push for collaboration between the businesses and their marketplace stakeholders. They are part of an overall, holistic marketing program. Programs like Pepsi’s “Refresh,” Starbucks’ “My Starbucks Ideas,” and Dell’s “Take Your Own Path”—each different in its approach and use of social technology—connect the brands into the specific communities where customers and potential customers are found. Curation, along with basic content creation, occurs naturally in these communities, making them ideal for participative marketing efforts and the use of social technology.

Building on consumption, curation, and content creation, collaboration is the end objective in the process of creating advocates, evangelists, and brand ambassadors. Getting people in your audience to work together collaboratively is very powerful. Working together to produce a common outcome, participants around your brand, product, or service bond with each other; and as they do, they develop a strong loyalty for the communities in which they are able to collaborate.

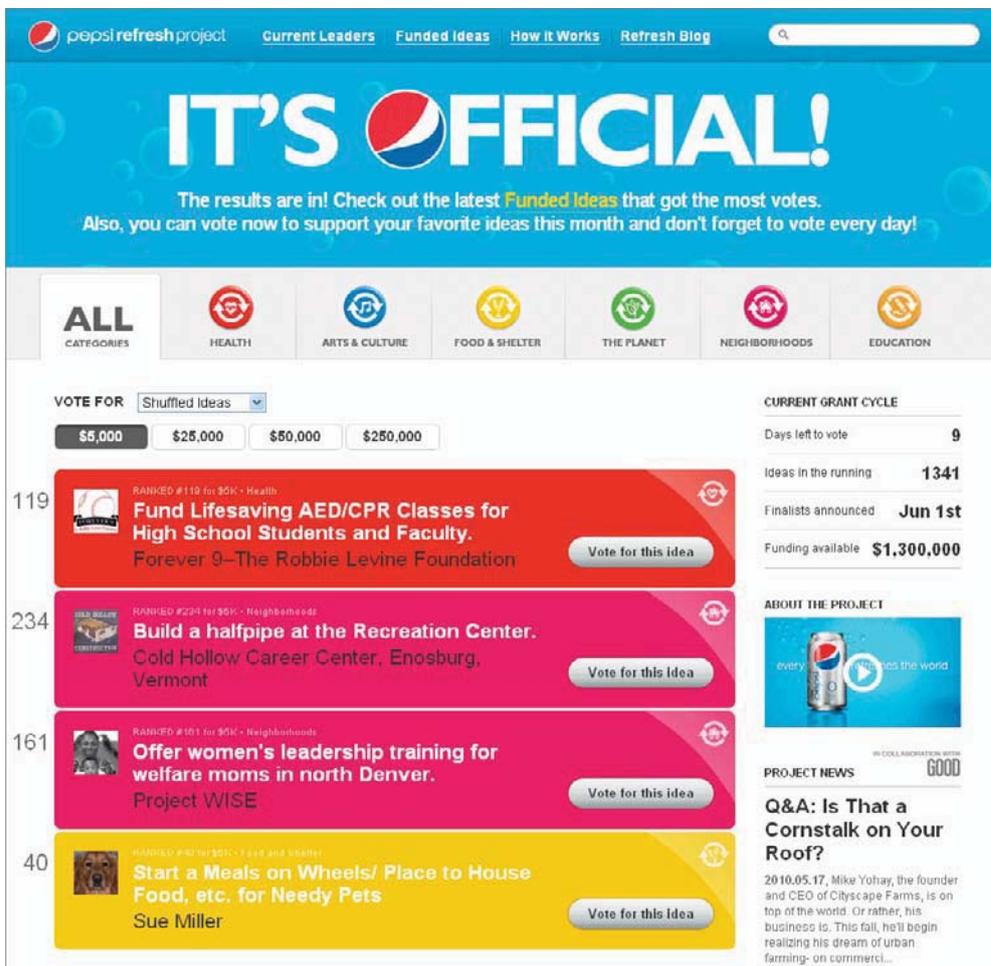


Figure 7.2 The Pepsi Refresh Project

### Connect Collaboration to Your Business

With a collaborative context defined, the challenge is to connect the engagement process as defined in the social context to your business or organization's objectives. Starbucks and Dell, using a range of social technologies, have done this really well. They have used consumption, curation, and creation through their respective "Ideas" platforms as a way to *invite* collaboration, and then used what they learned to improve their products and product experiences. Google will offer up plenty of analysis and commentary on these cases: Check them out and see how their implementation of what amounts to a suggestion box—done right—has changed their businesses.

Collaboration extends into tactical marketing programs as well: Pepsi's Refresh is one way of involving customers directly in building a relevant brand, clearly a long-term

strategic social-media-based proposition. By comparison, in early 2010 announcements from other big consumer brands like Unilever and Coke indicated that they too would be de-emphasizing branded microsites and similar media programs as components of online marketing. Instead, they increased investments in building a presence in globally significant social networks like Facebook. Coke, for example, has literally millions of fans collected around its Facebook business page.

Building on what was learned by participating in Facebook—and its very favorable experience with its fans through its business page—Coke created a stand-alone collaborative site for NCAA fans. Built on the Posterous blogging platform (you can learn more about Posterous here: <http://posterous.com/>), Coke's NCAA marketing tie-in, "The Department of Fannovation," encourages NCAA fans to submit ideas on improving the fan experience for NCAA athletics followers. The Fannovation campaign creates a connection between "new" NCAA fans and Coca-Cola, and importantly does so in a way that new fans in particular are likely to gain additional awareness of and thereby *consider* Coke as a first choice in refreshment. Fannovation—built as noted on a blogging platform that was configured to encourage curation and hence participation (content creation and collaboration)—was further promoted through adjacent social channels including Facebook and Twitter.

Note that Coke's "Department of Fannovation," like Dell's "Digital Nomad" and "Take Your Own Path" communities, is not a purely brand-centric application. It is instead built around a passion of a subset of Coke's audience—that is, being an NCAA fan. Coke is a participant in the application, but at the center is the excitement of being an NCAA fan. The application carries right into collaboration as well, by encouraging fans to create and submit ideas, and then rate (curate) them. The result is new learning for Coke in the ways it can take itself to market—and in using a range of social channels for campaigns as well as the promotion of those campaigns—and a whole new set of quantitative measurements that can be used to further improve its social presence and related activities. By tying these projects to Coke's larger brand essence, Coke reinforces its role in its customers' lives, not as a soft drinks vendor but as an expression of the connecting point—the higher calling—between the activities and lifestyles of its customers and the brand itself.

Beyond consumer businesses, business-to-business brands—like Element 14, American Express, HSBC, and Indium—are using purpose-built communities, business-oriented networks like LinkedIn, and blogging to get closer to their own customers. In all of these efforts, the rationale is simple: Fish where the fish are, at least at the start. You can create your own pond later. More importantly, respect your audience by getting involved in the activities that they are themselves involved in. Become part of their community by bringing your brand to them. Combined with a longer-term strategic plan, these types of real-world, tactical efforts built around platforms that already exist are a great way to get started.

## Measure Social Media

Now that listening and collaboration have been discussed, the final “must do” topic for this chapter is measuring the impact of your social media efforts as they are connected to your business or organization. Measurement is the key to understanding effectiveness, and ironically is too often overlooked or simply dismissed out of hand. This is no longer acceptable: social media can—and should—be measured, and done so in ways that press the application of metrics beyond correlation and the use of surrogates.

Take a step back in traditional marketing and advertising measurement. Common measures like reach and frequency are accepted *surrogates* for effectiveness: One generally measures reach and frequency often, but conducts formal pre/post studies of actual efficacy only occasionally. While these traditional measures of advertising are themselves concrete—reach and frequency can be directly measured, for example—they have become *surrogates* for the more important measures of effectiveness, derived generally through the observance of correlation and *implied* causation.

It’s important to note the distinction, covered in Chapter 6, “Social Analytics, Metrics, and Measurement,” between causation and correlation. It’s important to recognize that measures such as a blogger’s reach, or the number of comments in regard to a post, or the number of times a photo was viewed or shared are also concrete, easily obtained measures of the use of social channels. Make *measurement* a formal part of your social media program.

In addition to the more obvious quantitative metrics (views, measures of content sharing or pass-alongs, comments on a blog as a ratio to posts and similar), social analytics often involves dealing with large amounts of unstructured data (comments, recommendations, videos, and text posts, for example) that present a challenge when looking for concrete measurability. This same condition has long existed within traditional media and the metrics that define it all along: Verbatim comments are an oft-cited component of a typical advertisement effectiveness or customer feedback program. Social media analytics tools (see Chapter 6) provide much of the “horsepower” needed to make sound use of this unstructured data—for example, by extracting trends in positive versus negative comments, overall conversational levels, and similar.

### K. D. Paine

Tired of hearing “The problem with social media is that you can’t measure it”? Encourage people within your organization to look at K. D. Paine’s PR Measurement Blog.

<http://kdpaine.blogs.com/>

### Link Social Analytics with Business Analytics

Given the direct measurement of activity in and around social channels, it's also important to link this with your existing business analytics to create an understanding of how social, web, and business analytics fit together. Far from isolated, the social analytics both drive and are driven by what happens at the intersection of your business and the output side of the purchase funnel. Comments, ratings, recommendations, blog posts, and videos tend to reflect what happened when a brand, product, or service was put to the test more than they reflect what was promised in the advertising or other promotion that helped drive purchase, although commentary to that effect is often present. These comments, ratings, and recommendations are valuable when creating and refining a social business strategy: They can be tracked and used as guides when developing a response to a negative event, for example.

Beyond using social media for outreach or promotion—for example, in creating a brand outpost or using a channel like Twitter to convey sales information or collect customer comments—the Social Web can be used as a part of a real-time feedback system that keeps you firm or organization on track. You do it; they talk about it. You do it a different way, and they talk about it in a different way. This basic feedback loop sets up a strong measurement and testing application that you can use to build your business.

As a starting point, consider the Net Promoter Score. Created by Fred Reichheld at Bain Consulting, the Net Promoter Score is straightforward, well-documented (a benefit to you when presenting social technology and gaining internal support for its use) and easy to apply. Built around a 0-10 scale and the single question, “How likely are you to recommend my brand, product, or service?” the Net Promoter Score nicely captures in a single metric what underlies the majority of the significant connections between the Social Web and your brand, product, or service.

How can the Net Promoter (NPS) methodology help you? Consider the application of NPS by Austin-based B2B technical and lab furniture manufacturer Formaspace. Implemented in earnest in 2009, NPS provided a whole-business marketplace view that was fully auditable. It was implemented at the C-level and is now followed by every department at Formaspace.

I spoke with Formaspace CEO Jeff Turk about the implementation of the Net Promoter Score. Jeff described the effort like this:

“We don't really look at NPS in terms of expecting a single “great leap forward.” We had a formal and frequently measured quality assurance and customer satisfaction system long before implementing NPS. We also know our most vocal customers quite well, so we had a very good idea what they would have to say about us before implementing NPS. We look at NPS as a source of continual incremental improvements.

“The NPS system gives us a lot of small bits of feedback that incrementally

add up to very high customer satisfaction. Some suggestions have included specific changes to furniture assembly instructions, asking for e-mails at certain times in the delivery process, and letting us know when we need to give kudos to a particular staff member.”

Look back at the implementation and you’ll see that the company knew its customers and what they would say. NPS was used in the context of a larger measurement program. NPS was used to drive continuous improvement and thereby loyalty. The implementation of NPS at Formaspace exemplifies exactly the processes articulated in this book thus far, and it has paid off. Formaspace was originally acquired as a turnaround opportunity in 2006. Recovering and rebuilding customer loyalty was absolutely a key measure of whether its new owners were turning the company around. Based on prior customer satisfaction and loyalty surveys, Jeff and his team estimated that its NPS score would have been negative in 2006, and in the 30 to 50 range between 2007 and 2008. The measured score was 77 in 2009, and the company’s goal is to surpass 80 in 2010. That is impressive.

There’s a bigger insight here too: Paying attention, in detail, to customer conversations and measuring and tracking results doesn’t just boost measures like the Net Promoter Score: it actually drives business. Again, listen to Formaspace CEO Jeff Turk: “When we took over the company, it was doing so poorly at servicing customers that it sprouted competitors left and right. Today it would not be an exaggeration to say that Formaspace is the go-to resource for companies that use technical and laboratory furniture. We are rapidly becoming known as the “it” brand—so much so that our furniture is on the Discovery Channel, ABC’s *Grey’s Anatomy*, in NASA’s mission control center in Houston, and will soon be seen on the sets of more than one major motion picture. Many people import furniture from China: Ours is in sufficient demand that we send it the other way.”

Because I am a former product manager, this last exchange really hit home. When I served in this role at Progressive Insurance Company, before we turned fully toward a *customer* orientation, we too were sprouting competitors. Nearly all of Progressive’s early competition came from former Progressive product managers and executives who simply copied the Progressive rate books and undercut the prices. Whether it’s extreme price sensitivity (technically referred to as high elasticity) such as was the case at Progressive, or poor quality or bad service, negative factors like these are invitations to more competition and lower margins. Formaspace engaged its customers, turned high quality to its advantage, and put itself—in brand-speak—on a different ladder. To learn more about Formaspace—and to see the great products they build—check out [Formaspace.com](http://Formaspace.com).

As an important note, the Net Promoter may not be for everyone (see sidebar), nor is it the only metric available to you (although if you had to choose only one, it

would be a very good choice). Instead, the Net Promoter Score is a great place to start if you don't have a central dashboard or other in-place methodology for measuring success, as it provides an understandable basis for linking the experiences you create in the marketplace with your organization as a whole, where these experiences are (largely) created. Obviously, there are other metrics that may be specifically applicable to your business or simply a better cultural fit within your organization. One way or another, however, a metric or set of metrics that link your business—as a cause—with the conversations and customer behaviors you observe on the Social Web is fundamental to your success when implementing social business technology.

### **Alternatives to the Net Promoter Score**

As the Net Promoter Score (NPS) has gained in popularity, so have the discussions of its potential limitations and the rise of alternatives. As you are reviewing specific metrics and in particular the use of the NPS methodology, consider searching the Web for “alternatives to Net Promoter Score” as well.

The Net Promoter Score—or your preferred equivalent—provides a quantitative assessment through which you can capture and track the degree to which your customers will sing your praises. In a marketing environment that is increasingly driven by trust in “others like me” and more so the recommendations of people who are known, the Net Promoter Score stands as a central social metric.

Again, is the Net Promoter Score perfect for all situations? Of course not. What single metric is? That said, adopting the Net Promoter Score and supporting methodology pays big benefits:

- It creates a consistent, trackable metric that can be presented and placed into context across an organization.
- It is naturally aligned with the conversational dynamics on the Social Web. If most people would highly recommend your brand, product, or service, then the conversations about your brand, product, or service will reflect that.
- It is quantitative. The Net Promoter Score “translates” unstructured data like the characterization of the recommendations that people might give on your behalf into a number. You can work with numbers.

Having a consistent metric that can be shared across an organization, is vital. With a metric like this, everyone can “speak the same language” when it comes to assessing performance. Recall the Formaspace case: the context of a single metric like NPS is as important as the metric itself, and the verbatim responses (that is, individually detailed conversations with clients) that are often gathered as part of an NPS implementation are extremely valuable as well.

Having one or more metrics that apply to all divisions, departments, groups, and functions may seem a stretch, but consider this: Everyone who plays a part in creating the experience that your customers, members, or constituents subsequently talk about is “covered” under a single metric like the Net Promoter Score. Referencing the earlier sidebar, “Alternatives to the Net Promoter Score,” if NPS isn’t right for your organization, develop your own simple, easy-to-understand metric that is. Take a look at Fast Company’s “Business Advice from Van Halen” (March 2010) for more on the power of simple, insightful metrics applied to business.

To see this, deconstruct an experience. Suppose you consistently see on Twitter that the prices charged for your product or service are too high. As a result, some people—even many people—fail to recommend you highly and unconditionally, and instead say things like, “If you can afford it...I’d highly recommend them.” On the Net Promoter Score, that’s about a six, on a good day maybe an eight. Not only do sevens and eights not count (you throw those out, because the recommendations—like the one in this case—are weak), the six actually counts *against* you.

### **Get Everyone on the Same Page**

If there is an emergent reality of social business and “managing” conversations on the Social Web, it’s this: Social business is bigger than marketing. It is a holistic approach to organizing a business around its customers—going as far as to integrate its customers into its formal business processes—and to thereby consistently improve and evolve in ways that generate customer delight. The big question is, who is responsible for internal alignment of business processes? The CEO, the COO, and CMO, right? Partly, but not completely. How about the supply chain manager who is negotiating better prices from suppliers while failing to maintain quality standards? How about the HR manager who is vetoing training that would otherwise increase retention and thereby reduce the cost associated with turnover in *your* department? How about each and every employee who leaves a light on or uses two paper towels in the washroom where one would do instead?

This may seem petty—and counting paper towels (or admonishing employees to only ride the elevator when rising more than two floors...true story) is a bit extreme. But what it all boils down to is this: *Each and every officer, director, employee, and supplier is potentially responsible for some aspect of the experiences that are associated with whatever it is that is produced and sold by your firm or organization.* The power of a metric like the Net Promoter Score is that it puts everyone in the business on the same page of customer accountability. The question to the customer is, “Would you recommend us?” The customer’s response is based on the sum total of all of the moving parts that resulted in a particular experience, upon which the likelihood of a recommendation is predicated.

When the entire organization is looking at a holistic metric like the Net Promoter Score (or your preferred equivalent), *questions get asked that wouldn’t otherwise be*

*asked*. Innovations arise that would not otherwise arise. The business actually runs—from the ground up—in ways that delight the customer. We had a universal metric at Progressive Insurance, where I spent a number of years as a product manager: We used the Combined Operating Ratio, or COR, a fundamental measure of performance that everyone understood. It predated the Net Promoter Score and was a *fundamentally different* measure to be sure. While the COR was a business operations performance metric instead of a customer experience metric, *by sharing the COR across the entire organization everyone became focused on their specific impact to the proper operation of the business*. The result was an organization that worked like a team.

Whether you follow the Net Promoter Score or an alternative yardstick, beyond the core measures that indicate the relative likelihood of favorable conversations, you'll want to connect these metrics with your current business analytics. What's required first is a baseline. You can generate a baseline for your social analytics using any social analytics package that supports raw data export: Alterian's SM2 is one such platform that provides this capability. This makes it easier—but still not simple—to integrate social and business metrics. The objective is to identify and track the social measures that have predictive or associative value when used with your current marketing metrics.

By beginning with the connection of your marketing metrics and the social analytics, you'll discover up front the degree to which the Social Web is impacting your marketing program, either positively or negatively. Begin by creating a baseline: Social analytics tools like SM2 provide two years of history so you can actually run regression analysis on social metrics such as daily volume and sentiment against the business metrics you have collected over the past years. You'll end up throwing a lot of your work away, but that's OK: You'll find the subset of key business indicators that are closely aligned with social analytics. With this work completed, you can assign relative values to the change in social analytics by matching the values of the corresponding changes in business metrics.

However you do this, the important step is “to do it.” Begin with the data you have, and line it up over a period of years with the social data. You'll come away with a defensible case for why you need (or why you don't need) to invest in social-media-based marketing, and you'll have created the baseline data that you need to evaluate a social business strategy.

### **What Not to Do (and What to Do Instead)**

In the prior section, I presented three “must do” activities: establishing a listening program, encouraging collaboration externally and internally, and aggressively measuring (because you can). These three activities are built around the main lessons of Part I of this book: Listening and understanding the root causes of the conversations you discover, moving customers up the engagement path toward advocacy by encouraging

collaborative activities that inform your business and strongly tie your customers to it, and taking the time to measure and establish a quantitative basis against which to assess the business value of your social media and social business program.

The next section covers two of the universal challenges that face businesses wanting to take advantage of social technologies: These are the difficulty of facing up to the changes required in some form for most business, and the tendency to assign all of this “social stuff” to marketing, as if it were something marketing alone could control.

### **Ignore Change at Your Peril**

Wouldn't it be great if the world stopped changing, or it changed so slowly you could ignore it? Actually, no, it wouldn't, because in that case you wouldn't get your next promotion because that would change things. One way or another, change is something to get used to and ultimately to embrace. “What's next” is change, and that change is coming to a marketplace near you.

Gearing up for change, then, is part of getting an organization ready for social business. This includes instilling a culture of learning (so that new collaborative tools such as wikis, Yammer, or Socialtext are embraced rather than pushed off, along with a culture of openness (so that employees are comfortable suggesting what may seem like wacky ideas to others in the organization).

Watch out for resistance to change that is hidden—businesses can position themselves, for example, as “forward thinking and innovative,” yet be very rigid inside when it comes to how they go about running themselves. If the internal vision held by an organization for “innovative and forward thinking” collides with that of its customers in the marketplace, the kinds of internal changes required to adapt may be tough to implement. In particular, in organizations with a strong leadership figure—a founder or a CEO whose personality is an active part of the brand—the inclination of that business leadership to actually embrace change is a factor. I've been fortunate to consistently work with businesses headed by leaders open to and supportive of change: Your mileage may vary.

### **The Status Quo Is a Dead End**

While “doing what has always worked” may see a firm a few more miles—or many more miles—down the road, market evolution is a fact of life. To adapt—and to be sure, there are countless management handbooks and articles on this topic—some degree of flexibility is required. In start-ups, it's the ability to move from what “we knew our customers wanted” to “what they were actually willing to pay for.” Surprisingly, a lot of start-ups fail by missing this signal. In established firms, it's more likely exhibited as an aversion to risk or the failure to hire (or even the tendency to actively screen out) “change agents.”

As an example of the former, consider a business line leader who approaches an executive with a breakthrough idea, only to hear “Sounds great, but if sales dip you’re fired.” The chance of implementation is zero, and there is even less chance of another breakthrough even being looked for in the future. The latter example—screening out change agents—happens slowly, as companies mature. The kinds of risk-taking, entrepreneurial minds that were attracted to Walmart or Southwest Airlines 40-odd years ago (when Southwest had a handful of airplanes and Walmart had less than a dozen stores) may not see the allure of joining what are now among the largest businesses in their respective industries, or any industry. It’s up to the HR departments and hiring managers to ensure that organizations remain attractive to fresh minds as they these firms age.

The ability to support calculated risk and to adapt to change matters: It brings out contributions from those who will willingly take the personal risk in the context of the workplace—the risk to a future career path, for example—that is associated with innovation. In organizations that predictably and measurably benefit from social business practices, the in-place leadership often sets examples of acceptable failure—making risk-taking within limits OK—and rewards innovation and process change when it is grounded in business objectives. Again citing Progressive, we had what we called the Armadillo Award. It was a huge motivator, as it recognized individuals who failed in big (but smart) ways. Like Armadillos, sometimes despite the best planning and intentions, when you step out into the fast lane...you know the rest.

### **The Negative Conversations Are Already Happening**

The fear of negative events and negative conversations is often a factor in a decision not to embrace social-media-based practices inside or outside the organization. Not always irrationally, no one wants to intentionally steer into bad publicity. At the same time, and as said before, the negative conversations are already happening. It is rarely the simple presence of a firm itself on the Social Web that *causes* negative conversation to flow. To be sure, this does *not* mean “Just go running in...it will all be fine.”

Instead, as has been outlined—flip back to Chapter 1, “Social Media and Customer Engagement,” and see the sidebar reference for the USAF/Altimeter response matrix—listen first and understand what is being said. If there is some negative, examine it. If it’s factually incorrect, you may have an opportunity to correct the error. If it’s an all-out assault on your brand, you’ll want to plan thoroughly first. But then, this is the whole point of adopting a social media program: Build an understanding of how your brand, product, or service is viewed on the Social Web—and based on that, create your roadmap for future activity.

As an example, suppose that a service issue results suddenly in a fast-growing, negative conversation. In January of 2010, India’s Café Coffee Day, a higher-end chain coffee outlet, caught the full force of an attack when a group of bloggers meeting in a Café Coffee Day were asked to pay a cover charge (presumably for sitting and talking in

a coffee shop) in addition to the drinks and snacks they had already purchased. On the one hand, restaurants in particular need to balance the needs of current customers—enjoying conversation after a nice meal—with the needs of those waiting for an open table. In this case, there were open seats and the group was spending money: predictably the request for a cover charge resulted in a localized (to that store) uproar that quickly spilled onto the Social Web. The chain’s preexisting participation in social media saved it.

A brand that was used to less than 10 posts per day from customers on Twitter suddenly had a spike. Numerous posts were logged in a 24-hour period as people jumped in—in technical terms, “piled on”—to the conversation. The brand team actually handled the event pretty well. Because they were already listening (again, credit to them for participation in social channels in the first place), they were able to spot this and respond quickly. They took action publicly (reviewing, for example, the motivation of the store owner in requesting a cover charge when no such corporate policy existed). The online team issued an apology, made amends, and wrapped it up.

But the “piling-on” continued, and that’s what brought the brand advocates, who were also seeing what was happening, out in support of the brand. The advocates saw the event, saw the appropriate response from Café Coffee Day, and then took action as others seeking to cash in on the notoriety of the thread kept reposting, after the fact. You can see the positive (green) and negative (red) comments in Figure 7.3, and you can see that the positive comments rose as fast as the negatives. The entire event was over in a few hours, and the online storm died out in a just a couple of days.

Two things in the Café Coffee Day event are important to recognize. First, the brand was present in the social channels and so they recognized what was happening quickly. Then, second, *they knew how to respond*: Listen, acknowledge, correct, and move on. The result was the emergence of a supportive crowd as the brand advocates moved in and a fairly balanced conversation resulted—for every hater there was roughly one lover. Had the brand team not been involved, the event would have simply gone out-of-control, unanswered, *because without the brand’s public recognition of the actual wrong, and the apology from the brand team to the bloggers involved directly, the defenders would have had no ground on which to stand.*

Even worse, real brand damage could have accumulated over time. For example, the offending store owner—most likely totally unaware of anything “social,” would have committed the act again, restarting the entire cycle and doing significant harm to the brand as other similarly enterprising managers caught on to an opportunity for added income, below the radar of corporate management. The initial tweets, posting on the Social Web, combined with the brand team’s active listening program actually paid a real benefit to the overall Café Coffee Day operation.

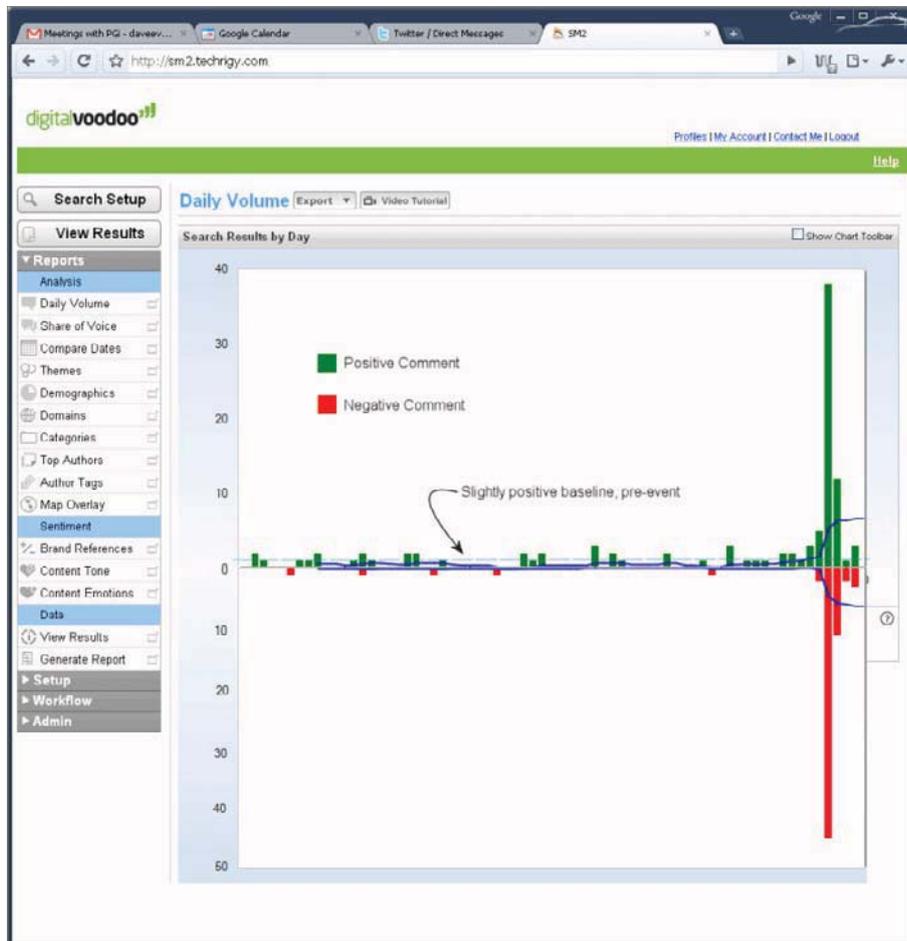


Figure 7.3 We're Listening: Café Coffee Day

### Start By Listening

So if avoidance of change is at the top of the “don’t do” list, what is the right thing *to do*? Instead of avoiding change, develop a listening-based and policy-driven response channel. Yes, social media can be tricky. And yes, conversations that you can’t control can be a challenge. So, start by listening—actively listening. Begin collecting social data, create a historical baseline, and use this to chart your way forward and to pull in the rest of your team.

By establishing a solid baseline, for example, you set up robust measures of success. That is always helpful. Second, you develop a sense of when conversational levels or topics “aren’t right.” You can use this knowledge to trigger responses when situations that warrant a response arise.

In addition, create a strong internal policy that governs your organization and its application of social computing. Include notification rules, disclosure, topics that are off-limits—like trade secrets, for example—and expectations for conduct. Not only will this give significant comfort to your legal and HR groups, it will make your social-media-based marketing and business programs more likely to succeed. Refer back to Chapter 3, “Building a Social Business,” and Chapter 4, “The Social Business Ecosystem,” for more on the use of social computing policies, and in particular for pointers to IBM and other great starting points when developing your own social computing policies.

### **Marketing Can’t Do Social Media Alone**

Next on the “what not to do” list is limiting social media to marketing. Managing (or leading) change while getting your organization ready for the adoption of social technologies is very often among the most challenging aspects of implementing an effective social media strategy.

The starting point for social media *is often marketing*—probably because the initial social applications were promotional or advertising related or the conversations seemed most related to marketing and sales. However, the application of social media in *business* carries far beyond marketing. This is evident in the view of the purchase funnel and the role of the conversation as it impacts the marketing—think sales or membership or donor campaigns here—functions within the organization.

It’s what happens after that makes clear how far beyond marketing social media and social technologies can be applied. Consider a conversation about a service and about an employee who is particularly adept at making customers feel great. This person is a source of positive referrals and so is a contributor to an elevated Net Promoter Score. What you need are ten more just like this one, and by listening to conversations and carefully measuring results and following the customers associated with this agent through your CRM Program you’ve made the case to hire more.

Hiring “ten more just like this one” means getting HR to understand what makes a stand-out employee...a stand out. It means that the hiring team has to understand how to assess the skills that this person is bringing in the context of the conversations that are being created, not just in terms of the right degree, the right background, and three decent references. This is not to trivialize HR and the hiring process: I have deliberately simplified this example to separate what is important in making the proper hire—understanding how this person is likely to impact conversations about your brand, product, or service—versus knowing how to properly hire someone.

When social media is seen as a marketing function, the application is generally aligned with the outbound communication needs of the business—the “let us tell you about ourselves” part of the conversation. By comparison, the conversations that exist about your brand, product, or service on the Social Web—and impact that they have on marketing—are not a result of marketing but rather the combination of HR, legal,

operations, customer support, retail, and warranty policies...all of which exist *outside* of marketing.

Don't underestimate this. As interest develops in social technology, take the time to look across your entire organization and create a cross-functional team with representatives from all of the primary departments. You'll need Legal and HR for social media policies, for example, and you'll need Operations and Customer Service if using Twitter as a service channel appeals to you. Think about how you'll build a larger team to properly implement your ideas.

### **Create a Shared Sense of Purpose**

So, if you want to hire that next killer associate, you've got to make the case for hiring the kind of people that understand the holistic operation of the company, and their place, however big or small, in the generation of conversations and recommendations on the Social Web. This means that when you are thinking of social media, you need to be outside of marketing.

As you consider the role of social media in business, and you move the focus beyond marketing, you cannot think only in terms of tactical campaigns. Moving the application of social media beyond marketing requires that you anchor your programs in your business strategy. Social technology and technology applications must be aligned with the overall business objectives and strategic efforts. If not, they will be limited in efficacy to marketing, or to IT, or to HR, whichever organization sponsored the tactical project that included some aspect of social technology.

Social business is all about the spread of social techniques into the organization, beyond marketing or communications. Social business means picking up on the dynamics of the purchase funnel and feedback cycle and then applying analogous thinking across the entire organization.

For example, customers are creating and sharing content among themselves for the purpose of improving their own decisions. They are curating what they create to make it easier to find valuable content, or to indicate to whom it is most likely to be valuable. They are rating and tagging each other so that they know who they can turn to for what: The Advocate Mom—the mother who sits at the center of her online friends networks on all matters “family”—is a powerful resource when your baby is crying and all you have to go on is a kid's tongue that is purple and fuzzy. People seek the answers to the questions that matter to them, and they organize the people around them in terms of what they know, who they know, and how they might be of help.

Why is that kind of care in developing and identifying specifically valuable resources limited to promotional marketing? Change the name in the previous scenario, apply it to an office, and you'll find a very empowered, very flat, and very efficient organization from the standpoint of sharing and improving collective knowledge. It is exactly this kind of application of social technology that drives social business.

In social business, there are external dynamics (customer, member, community, or similar) and internal dynamics (between the people who make up your organization) that can be made to operate in a more productive and more innovative manner. Marketing is a part of it, especially so in organizations that include product development as a part of marketing.

By connecting the internal efforts of your team, by improving the way in which knowledge is shared, with the external marketplace dynamics—tapping conversations and looking for competitive opportunities—the benefits of applying social media and social technology to your business are most readily realized.

## Best Practices in Social Business

In this final section, it's the dos and don'ts (actually, the “do this instead”) that get put into practice. Following is a quick look into five specific examples of how social media and social business best practices are being used now to build better organizations.

- **Listening**  
Always begin with a listening program, and incorporate this into each of the following items. This provides the starting platform to keep you on track.
- **Customer-driven design**  
Focus your listening, and invite customers to provide specific inputs. Use this to evolve your product or service offering and to connect your customers deeply into your business organization.
- **Crowdsourcing**  
Rather than trying to make sense of 10,000 ideas, let your customers sort out the list. They'll vote for what they want and pass on the rest. You can focus on what they want.
- **Knowledge exchange**  
How much faster can problems be solved when everyone involved—including your customers and your employees—work together to solve them? Collectively solving problems is a great way to show your customers you love them.
- **Gaming: Incentive for sharing**  
What can you learn from a gamer? A lot, actually. Adding a game-based challenge to basic activities like content posting can turn spectators into participants.

### Threadless.com: Customer-Driven Design

What happens when you build your business around collaboration itself? For starters, your customers get involved in your products and services right from the start, which in turn can give you a continuous source of innovative suggestions on how to evolve.

In addition, directly involved customers can become the core of your most ardent supporters—or most vocal detractors.

Threadless.com—shown in Figure 7.4—offers T-shirts for sale. That sounds simple enough, but Threadless does it one better. Rather than selling their designs (or worse, designs that people could buy elsewhere), Threadless sells only the designs that its own customers create.

The Threadless model works like this: People submit T-shirt designs, which are then reviewed and put to public vote. The winning designs are produced and sold, and the creators of the selected designs receive a cash reward as well as additional cash on future reprints. Threadless customers—through collaboration with each other and with the business itself—have a direct hand in shaping the product.



Figure 7.4 Collaborative Design: Threadless

Threadless is a great example of a collaborative business. Founded in 2000, Threadless is also a testament to the viability of a collaborative business. According to the Small Business Administration, on average new businesses have slightly less than a 50/50 chance of making it five years, let alone twice that.

### **Threadless**

You can learn more about Threadless and its history by visiting Wikipedia:

<http://en.wikipedia.org/wiki/Threadless>

### **Dell: Customer-Driven Design**

Dell turned to its customers, initially through surveys and polls and then more formally through its IdeaStorm platform, for suggestions on what customers wanted to see more of (or less of) in the product line. Where Threadless encouraged its customers to design the entire product, Dell was after the ideas that informed its future product options and the way they were offered to customers.

In 2007, building on the Salesforce.com Ideas platform, Dell launched IdeaStorm. Like the My Starbucks Idea program, IdeaStorm is a transparent adaptation of the classic suggestion box. What makes this suggestion box work is the fact that voting—done by other customers and potential customers—is out in the open. The better ideas move up as they are discussed. Ideas faring less well sometimes get combined in the process, strengthening their chance of making it into the idea pool from which Dell's product managers ultimately pull ideas.

The suggestions implemented through the IdeaStorm platform include Dell offering the Linux Ubuntu operating system as a preinstalled option. Additional ideas receiving higher than average attention included aspects of customer service, suggestions regarding the website (a primary source of income for Dell), and suggestions that preinstalled promotional software be optional. Looking at these ideas, it's clear that social technologies have applicability and impact that extend beyond marketing.

### **Crowdspring: Crowdsourcing**

If you've never tried a true crowdsourcing application, here's your chance. For a couple of hundred dollars, you can get a snappy new logo and card design for your upcoming birthday party...or just about any other event that you wanted "branded." Of course, if your business needs a visual makeover, you can use Crowdspring to do that too.

Crowdspring attracts artists—designers, typographers, CSS wizards, and more—who compete for projects. Unlike eLance, where project awards are made *before* the actual deliverable is prepared, Crowdspring participants see the actual designs as they

are evolving—in public and in view of competing designers—as the process occurs. You pay after the fact.

What really makes Crowdspring work, however, is the participation of the buyer in collaboration with the designers. Take a logo design as an example: Imagine that you want a logo for your new business. First, you create an account and define what you want—color preferences, style choices, and maybe some examples of logos you like. At this point the designers review the project, and those wishing to compete jump in and start offering design ideas.

Now, if the buyer doesn't participate beyond this point, the designers will offer a range of styles and the buyer may pick one, but this isn't the optimal path. One of the Crowdspring rules is that buyers have to pick a winner based on what is offered: This means it's in the direct interest of the buyer to improve what's offered. The best way to do this is to participate alongside the designers, not as a designer but rather through feedback on the designs being produced. As the buyer actively signals which of the submitted designs is favored, the designers will all start shifting in that direction.

The more the buyers participate, the more the designers participate. Disclosure: I've used Crowdspring multiple times, and each time I have seen the number of participating designers go up, directly in response to my participation. My good friend Dr. Tom Hill aptly quotes Saturday Night Live's "Hans and Franz" on this point, "Hear me now, believe me later." If you want people to participate—in any social application—show them you are serious by participating yourself.

After ten days, buyers choose the design they like, and the logo (or whatever design work you requested) is delivered. It's really quite amazing how well Crowdspring works.

### **Crowdspring**

You can check out Crowdspring and see how it works and what others have used it for here:

<http://www.crowdspring.com>

### **HARO: Knowledge Exchange**

HARO—an acronym for Help a Reporter Out—is a knowledge exchange that was created by Peter Shankman. The basic proposition of HARO is that for every person who has a question, somewhere there is also a person with an answer. The trick is to put them together, and this what HARO does.

The context for HARO is news reporting. Reporters are often in the predicament of having to report on something they themselves don't fully understand. This is *not* a knock on reporters: It is simply the reality of a technically complex world.

Even if a reporter is the “science journalist” for a magazine or paper, it’s unrealistic to think that this person would simultaneously fully understand a nuclear power reactor, the inner workings of a rocket motor, and the various competing ideas and technical underpinnings for what to do about global warming. Yet, in the course of a week, that reporter may be asked to cover all three.

This is the classic expertise-sharing problem that led Dr. Vannevar Bush to conceive of the Memex, the theorized mechanical device that provided the fundamental insight in creating the World Wide Web. Peter Shankman has applied this same thought to the job of the reporter and the challenges they face in getting accurate information about a variety of topics, even within a chosen focus area.

On one side of HARO are reporters: Reporters need information. Typically, information costs money (except online, where it’s assumed to be free!). So here’s the dilemma: How do you get reporters the information they need without paying for it, at least directly in cash, since that would introduce a whole host of issues with regard to reporting?

The insight was this: Experts seek recognition, and being cited as an “expert” in a publication can be very valuable as a way to advance the career of an engineer, doctor, sociologist, prosumer (a sort of professional-grade hobbyist) and a lot of other people. HARO puts these two needs together through a searchable exchange. Reporters go looking for experts, and the experts—who have signed up and completed detailed profiles about their expertise—are thereby available for interviews by those reporters.

## HARO

You can learn more about HARO—and perhaps even sign up yourself—here:

<http://www.helpareporter.com>

You may also want to learn more about Peter Shankman, who developed HARO: Peter is the author of *Customer Service: New Rules for a Social-Enabled World (Que Biz-Tech, 2010)*. You can follow Peter on Twitter (@skydiver).

## Foursquare: Game-Based Sharing

Beginning with phones that included GPS or similar location tracking, applications such as Brightkite, Dodgeball, Loopt, and Latitude have made the simple act of “being someplace” talkworthy. (Just how talkworthy they are is, of course, left to the participants in any given conversation to decide!) Each of these tools in some way traded on the value of knowing where others you knew were right now.

Early applications included things like meetups, coffee shops, and dinner dates. Depending on your motivations, the ability to see where your friends are can be useful

information. But beyond basic location awareness, these early applications didn't do much. That was a problem.

Enter Foursquare. Along with applications like Gowalla and rebuilt versions of earlier applications, Foursquare combines location awareness with collective knowledge to produce an order of magnitude more useful experience.

Using Foursquare, upon arriving someplace one “checks in.” The GPS in your phone knows where you are, and Foursquare tells you what's around you. Typically, you'll see the name of the place where you are and some others that are nearby, and you simply click Check In.

What makes Foursquare relatively more popular is its game-based functionality. As you check in, you accumulate points. Check in someplace new and add that venue to the Foursquare database—there's a form for this right on your phone-based app—and you get six points. Even better, hit three places in the same day, and you get a traveler badge. Go out on a weeknight, and you'll earn the “school night” badge. You can see your points and badges when you log in online or open Foursquare on your phone (see Figure 7.5).

The screenshot shows the Foursquare website interface. At the top, there's a navigation bar with links like 'me', 'add things', 'find people', 'stats', 'history', 'my friends', 'settings', and 'help'. A search bar is also present. Below the navigation, the user profile for 'Dave E.' is shown, including a profile picture, name, location (Austin, TX), and social media links for Twitter and Facebook. A statistics section displays four metrics: 'TOTAL NIGHTS OUT' (22), 'TOTAL CHECKINS' (40), 'TO DOS NOW DONE' (0), and 'TOTAL THINGS DONE' (10). Below this is a 'TOP 12 TO DO' list with four items, each with a delete link. To the right, there's a 'REQUESTS' section with two pending friend requests from '@elavrov' and '@katebuckjr', each with 'Accept' and 'Ignore' buttons. Below that is a 'BADGES' section showing various achievement icons like 'Newbie', 'Explorer', 'Super Star', 'School Night', 'Local', 'Super User', 'Ovarokara', and 'Survival'. The 'MAYORSHIP' section indicates the user is the mayor of 3 places. At the bottom, there's a 'FEED' section with a recent check-in from 'Gold's Gym Bee Caves'.

Figure 7.5 Foursquare Badges

Once you've checked in, you'll see a list of your friends *also using Foursquare* who are nearby, along with tips about the place you've checked into. The tips are one of the first big "value adds" of Foursquare. Checking into a restaurant, you can see what's good (or alternatively, what's good that is right across the street). Checking in at a grocery store alerts others in your friends' list that you're there—and they can ping you to ask you to pick up some milk (since you actually know each other, the relative tolerance for such an imposition is known by both parties) and thereby save your friend a needless trip in the car.

### Sharing Location Data

Foursquare and Twitter both allow you to follow people, and allow others to follow you. Unlike Twitter's basic posting features, however, that let followers know what you are doing, Foursquare tells them *where* you are. This means it's also telling people where you *aren't*. If you check in at a movie theater, it means you aren't going to be home for about 2 hours.

Rather than uninstalling the application, this means you need to think about your own follower/following and "friending" policies. Location-sharing applications raise the bar in this regard. My good friend Susan Bratton talked of the "gluttonous social behavior" many have engaged in—amassing thousands of followers simply because they could. Many are now rethinking that behavior.

Before accepting a follow request with location-sharing tools, take a minute (or more...) to think through the potential impact of what you are sharing. Twitter has taught that not everyone really wants to know what everyone else is doing right now. Foursquare may teach that even fewer people want *anyone* to know *where* they are doing it.

### Foursquare: Beyond Meetups

The Dachis Group's Peter Kim takes the possible social business applications for Foursquare further, extending the application well beyond simple meetups and check ins. You can read more about Peter and Foursquare here:

<http://www.beingpeterkim.com/2009/11/foursquare-social-business-design.html>

## Review and Hands-On

Applying social media principles effectively in business is both straightforward and challenging. It is straightforward because there is actually a process around which you can organize your efforts. It is challenging because much like the rethinking that occurs when applying social media in pure marketing applications, applying social technologies at a business level may require a redesign of the business itself.

### Review of the Main Points

The tips and best practices covered in this chapter are summarized in the points that follow. Get these things right and you're on your way to a solid implementation of social technology in business.

- Listen, collaborate, and measure. These are the three fundamental practices that lead to successful implementations of social technology in a business context. By listening first, knowledge about the current conversations can be shared with the larger organization, making collaboration between the business and its customers easier to implement. By always looking for metrics, and thinking though how they are applied, the actual results can be evaluated in the same terms as any other business project.
- Don't shy away from social media and social technology because it's scary. Instead, follow the three essential practices of listening, collaborating, and measuring.
- Don't limit your view of social media to marketing. The root causes of the conversations that drive the success of your firm or organization are often outside of marketing. Trying to use the Social Web effectively without cross-functional support is like bringing a spoon to a gun fight. It's not going to turn out well.

### Hands-On: Review These Resources

Review each of the following, and ensure that you have a complete understanding of how social media and social technology is used.

Threadless

<http://www.threadless.com>

Foursquare (You will need an account with Foursquare and a GPS-capable phone or similar hand-held device for this.)

<http://foursquare.com>

HARO

<http://www.helpareporter.com>

### **Hands-On: Apply What You've Learned**

Apply what you've learned in this chapter through the following exercises:

- 1.** Prepare a short presentation using Threadless or Dell's Digital Nomad project as the subject, or any other collaborative business design application that you choose. Talk to your team about what makes the application work and how social technology has been built into the business.
- 2.** Looking at your own firm or organization, list three ways that your customers could collaborate directly with each other to improve some aspect of your product or service.
- 3.** Develop an outline for a business plan based on exercise 2 that involves multiple departments or functions to implement. Win the support of those people.

# Social Applications

# 12

*Social applications combine the attraction of social objects, the power of the social graph, and the natural tendency for people to gather and converse. Because social applications connect, enable, and coordinate the interactions of participants within and across communities and other social networks to which they belong, they offer a straightforward way to realize a powerful business presence on the Social Web. This chapter wraps up Part III with a look at how to define and implement successful social applications.*

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## Chapter Contents

What Is a Social Application?  
Social Applications Drive Engagement  
Get Started: Plan a Social Application

## What Is a Social Application?

*Social applications*, simply, are software components that facilitate interaction between members of a social network. Social applications are built around social objects—lifestyles, passions, and causes, along with myriad talkworthy smaller objects such as short posts (tweets, for example), photos, videos, and more. Social applications are driven by the connections embodied in the individual social graphs of participants, and as such act as efficient conduits for the spread of information within the network.

While the distinction between “social network” and “social application” may be debated elsewhere, as used here the terms are defined specifically. ReadWriteWeb offers a particularly succinct definition of *social application* in the context of the business use of social technology:

*“Social Application: Software that coordinates group interaction that is important to running your business or organization.”*

Here’s an example: Facebook, in general conversation, would most typically be referred to as a social network. Friends are connected to each other within Facebook’s social network through the individual social graphs of respective members. SocialVibe’s charitable giving application, shown in Figure 12.1, is one of the thousands of applications available within Facebook. SocialVibe is a social application: It allows Facebook members to turn views of their own profile pages into cash donations that benefit a charitable cause that they themselves have selected. Note too that while SocialVibe was cited in the example of a social application, social applications aren’t limited to these kinds of discrete applications. Facebook—when talking about its software and the native functions it provides to its members—is itself a social application.

As established in prior chapters, the definitions actually matter less than being consistent about what is meant by terms like social networks, social graphs, and social applications. Throughout this chapter, the term *social application* refers to social software and embedded or installed applications within a social context that facilitate social interactions between participants with that network.

The central idea that a social application combines group interaction and capabilities “important to running your business or organization” is related to the focus of this book: the business use of social technology. Suffice it to say that if a particular social activity is not relevant to your business, it’s probably not a good candidate for your social media and social business programs.

A second point to consider with regard to social applications is that they typically play a role in elevation of or otherwise depend on the presence of an *identity*, typically expressed through the profiles that define the “nodes” within a social graph. Recall the discussion around identity and the work of J. D. Lasica in Chapter 4,

“The Social Business Ecosystem.” Without *identity* in at least a general or contextual sense—and with the exception of specific applications that for a variety of reasons appropriately allow anonymity—sharing and collaboration are *much less* likely to occur, if they occur at all. For typical business applications of social technology, sharing and collaboration are among the primary goals: Identity—and details like profile completeness—really matter. On Facebook and Twitter, for example, there are no guarantees (“verified” accounts aside) of claimed identity: However, with friends or followers in common across participants, it is fairly simple to assure yourself that at least the basic elements of most profiles are in fact authentic.

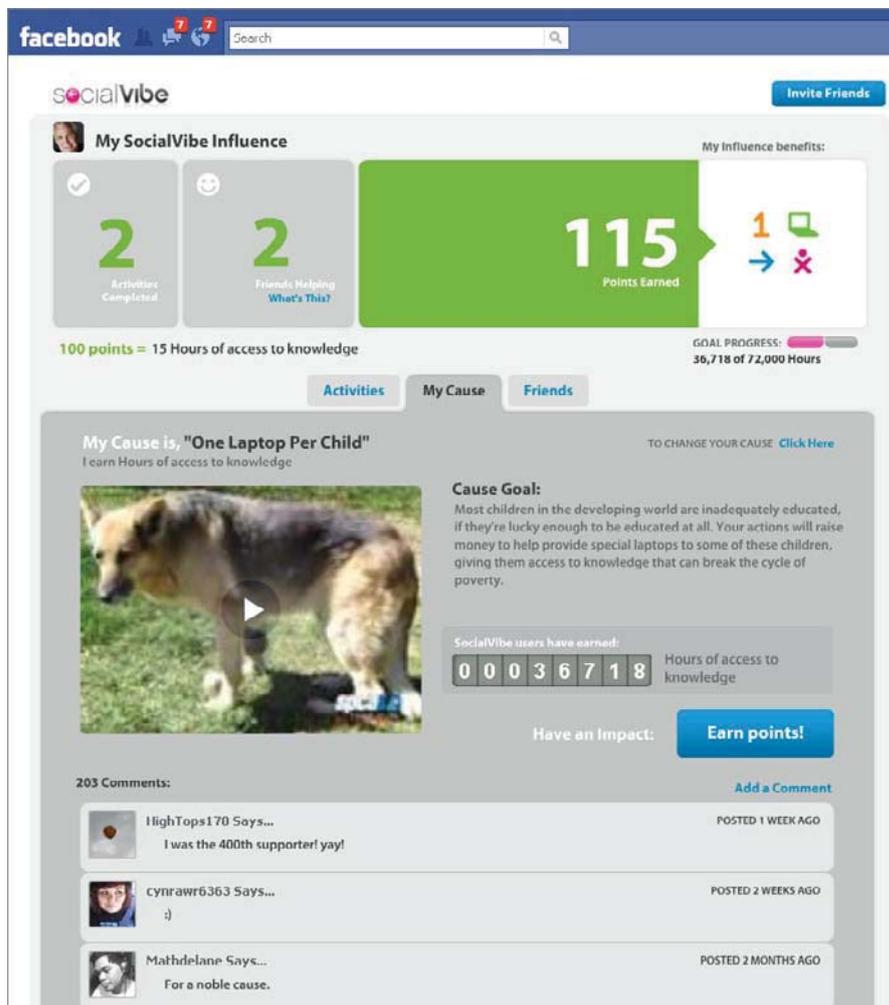


Figure 12.1 A Social Application

What kinds of social applications appropriately relax their identity requirements? Think about a nonprofit, for example, that might encourage participants to share stories about cancer survival, corporate noncompliance, or physical abuse. As well, a sporting goods company or one of its retailers may want submissions of experiences using its gear, but may provide the option of not publishing the names of those submitting these stories. Social apps come in a variety of forms, and not all of them require that a full personal identity be provided. How much needs to be included in order that your social application encourages participation by and among members is for you to decide. One way to answer this is to ask participants how much they are willing to share, taking care to explain the benefits of providing such information as well as exactly how it will be used.

What this all comes down to is the realization that it is the combination of both *identity* and *functionality* that support high degrees of social interaction within a social application. Profile completeness and reputation management are important aspects in the design of social applications, right along with specific functional tools including those that support content uploading, friending, sharing, rating, tagging, and more. If participants don't know with whom they are sharing—or can't curate or share content easily—they are less likely to share at all, shutting down the higher levels of engagement like content creation and collaboration that are central to realizing value through the business applications of social technology.

Taken together, it's the combination of the above that is important to your business or organization. Consider this within the context of a social network that involves identifiable participants (again, as appropriate) and in so doing create the opportunity for highly specialized social applications that enable collaboration and content sharing. This is the overall approach that defines the successful social application in the business context.

## Social Applications Drive Engagement

Examples of social applications that drive higher levels of engagement include SocialVibe's charitable giving application (mentioned in the opening of the chapter), Starbucks' use of Foursquare (a location-based social application), the Foursquare "mayors" program that rewards frequent visitors, and Dell's use of Twitter as one of its many brand outposts. In Europe, OpelVauxhall have created a customer service built on Twitter using its basic accounts, @opelblog and @vauxhall along with the hashtags #OpelService and #VauxhallService, allowing customers to easily connect, ask questions, and make other inquiries relating to these automobiles. Twitter is a social application with obvious business development and customer care applications: Twitter enables two-way interaction between a business and its customers (and between customer themselves). Dell's Small Business group, Comcast's customer service team, and Australian telecom firm Telstra all use Twitter as a conduit for information that

connects their respective business programs with their customers. The majority of the cases and examples presented in this book have been, in some form or another, a type or instance of a social application.

Given the encompassing nature of social applications, how then does one segregate the various functions and uses of these tools for planning and design purposes? Clearly, lumping together Dell’s “IdeaStorm,” SocialVibe’s charitable giving application, and Foursquare’s “Mayor’s” designations as used by Starbucks and saying “I want one of those” isn’t likely to produce a successful outcome. What’s needed is a way to categorize the various types of social applications so that they can be connected with business objectives. Business objectives, after all, drive the specification and development of social applications.

### **I Love You More Than My Dog**

As an aside, read the book *I Love You More Than My Dog* (Portfolio Hardcover, 2009). Author Jeanne Bliss goes into detail in the processes that create amazing customer experiences: Not only are these are the kinds of insights gained through collaborative social applications, they also point up the degree that Operations and Marketing must work together to build long-term customer loyalty. You can follow Jeanne on Twitter (@jeannebliss) and read more about Jeanne and her work here:

<http://customerbliss.com/>

Important to note here is what is meant by a “successful outcome.” Josh Gordon, President of Selling 2.0, published a whitepaper in *Social Media Today* entitled “The Coming Change in Social Media Business Applications: Separating the Biz from the Buzz.” Josh points out the roughly 60/40 split between the use of social technology in business for branding (about 60 percent) versus *collaborative* applications (about 40 percent). While lots of businesses and organizations are using social media—recent CMO surveys have put adoption at something north of 80 percent—the majority of these uses are still rooted in a traditional approach to marketing. Given the numbers of people who collect around social sites, the appeal of marketing programs that are intended to push a message into these sites is understandable, but it misses the larger gains in engagement that come about through social applications that support content creation, sharing, and collaboration. Using social applications for *awareness* can provide a starting point, but there is more that can be done.

For social-media-based marketing, the beneficial impact to branding efforts, increased lead generation, and “more buzz” are all success-oriented objectives. To be sure, however, these applications barely scratch the surface of social technology. What is of interest here—and what defines “success”—is the degree to which *collaboration*

as a result of the implementation of social technology is achieved. The degree to which collaboration between participants is achieved is, therefore, one of the primary indicators of a “successful outcome,” again with the note that this is always measured within the context of the underlying business objectives.

### **Social Media Today**

A highly recommended resource for marketers and similar business professionals interested in B2B application of social media and social technology is *Social Media Today*, cofounded by Jerry Bowles and Robin Carey. *Social Media Today* includes contributions by literally hundreds of the best social media/ B2B thinkers and practitioners.

<http://socialmediatoday.com/>

The take-away from the discussion around defining successful outcomes and the use of social technology is this: Social technology deployed in a business context drives higher levels of engagement (content creation and collaboration). Social applications serve as connectors between participants, as extensions of built-in social network functionality, as crowdsourcing and content publishing tools, and more within the communities they define or the social structures in which they are implemented. Sure, social technology can be used to drive awareness, but so can a dozen other channels. What social technology and social applications in particular are uniquely great at is driving participation—sharing, creating, and collaborating around content rooted in lifestyles, passions, and causes.

As an example of social applications driving engagement at higher levels like creation and collaboration, consider New Belgium Beer, makers of Fat Tire amber ale and other beers. The team at New Belgium laid out its business objectives:

- Engage New Belgium’s existing fan base on Facebook and reach out to their friends.
- Pick up on the style, vernacular, and creative assets already used on the New Belgium website, and then reflect through the fans’ voices.
- Create contests and similar engagement applications that fit the brand image and appeal to the underlying passions and interests of the fans.
- Ultimately, further grow New Belgium’s Facebook fan count by attracting *true* fans, not just those looking for the next brand giveaway.

Working with Friend2Friend, based in Palo Alto and Barcelona, an engagement program was put in place that connected New Belgium fans with the brand ethos by building around the passions and interests of those fans. *Disclosure: I am an advisor to Friend2Friend.*

I talked with Friend2Friend CEO Roger Katz about the New Belgium engagement program. When I asked about the origin of the program, Roger described it like this:

*“New Belgium wanted to increase the number of fans on its Facebook Fan Page through entertaining, social activities while staying true to the brand image. They also wanted to preferentially attract authentic New Belgium fans—real beer drinkers who enjoyed fine beer. The program team includes Backbone Media (Agency of Record for New Belgium) and Friend2Friend.”*

I then asked Roger about the Friend2Friend social application and what it was intended to do. Roger explained:

*“Friend2Friend picked up on the vernacular of the New Belgium website and created ‘What’s Your Folly?’, a contest where Facebook members can become a fan and describe their folly—their passion or interest—and thereby enter a weekly drawing for a limited edition New Belgium cruiser bike: The bicycle is also a part of the New Belgium brand ethos.”*

As fans read of others’ follies (content consumption) and then declared their own personal follies (content creation), the interest in the contest grew, spreading through Facebook via the Friend2Friend social application. Roger added:

*“The resulting Folly Gallery of over 6,000 follies gives New Belgium a base of branded user-generated content to jump-start their next promotional programs.”*

Simply put, New Belgium’s customers are, as a result, collaborating with the company and its agency to design the next round of engagement campaigns.

Now for the hard question: “What happened, and how was it measured?” Roger’s response:

*“In a five week period, almost 7,000 users downloaded the social application and submitted personal follies, generating over 1 million social impressions through news-feeds, wall posts, and Fan Page visits. New Belgium gained 10,000 new fans. Contest participants spent an average of four minutes creating their entries and reviewing those of others.”*

Compared with a 30-second spot, that’s a big gain in attention.

In summary, New Belgium built its engagement campaign around Facebook, using an existing social application (Friend2Friend) that was customized for this particular use. Higher levels of engagement were clearly seen, and the results were measured and successfully tied back to the original underlying business objectives.

As you look for ways to use social applications in your business, consider the specific type of applications that you can choose from: The New Belgium example of

contest-driven engagement and fan recruitment is but one of the choices available to you. Following are the primary buckets into which social applications can be organized to simplify the process of creating a strategy that links your business objectives with the many types of social applications that are available or which can be built.

### **Social Graph Applications**

Social applications connect people: That much is obvious. It's what happens beyond the basic connection that matters, and especially in business applications of social technology. Consider Twitter: It's possible—but rarely recommended—to buy followers (literally, for money). Prices run a hundred dollars, give or take, for a few thousand followers. The question is why—beyond *looking* popular—would you want to do this? I sure don't have the answer.

Instead of buying followers, what generally makes more sense is to introduce into a social network the tools that make following happen naturally and spontaneously. Think back to touchpoint analysis: What is it about your brand, product, or service that makes it talkworthy? Now apply this same thinking to your social presence: What about it would make someone want to follow your brand on Twitter, join your business page on Facebook, or offer up their own ideas through an ideation application? Combining the answers to these questions with specific tools or applications that make it easy for the participants in your social application to connect will grow a stronger network than will buying one.

Facebook and Twitter, for example, both have functionality built into the platforms that suggests friends or recommends interaction between friends, both of which drive additional connections. LinkedIn offers an overt “profile completeness” indicator: A higher percentage of relatively more-complete profiles encourages more connections between social network participants. When planning and building a social application (or joining into one, as a business), it's a best practice to include explicit indications of profile completion—for example, indicating the current completeness level *and* advising members as to what else needs to be done to fully complete individual profiles.

#### **Twitter Marketing: An Hour a Day**

If you're interested in learning more about how Twitter can be applied to business, take a look at *Twitter Marketing: An Hour a Day* (Sybex, 2010) by Hollis Thomases. You can follow Hollis (@hollisthomases) on Twitter as well.

In addition to the basic connection and automation tools that encourage additional connections based on specific personal factors—content interests or other current friends—consider a social application like Slide's “Top Friends” Facebook application. Top Friends has about 8 million people actively using it: Top Friends

facilitates the creation of a secondary social graph within Facebook based on your closest friends or most trusted advisors. Why the interest in Top Friends? Read on.

Within Facebook, someone may have 300 friends overall: That's a lot of people to keep track of. Through the Top Friends application—which you can find on Facebook by searching for “Top Friends”—this same person can designate an “inner circle,” so to speak, that is limited to a much smaller group. This use of the Top Friends social application results in increased value to the specific members involved as it allows them to reconfigure their respective social graphs in ways that better reflect their own social needs and relationships within the larger (and less personal) context of Facebook as a whole.

How might “Top Friends” be adapted as a business-oriented social application? Jive Software includes modules that indicate the top participants and most popular content, for example, both of which can be used to focus participant attention on the members (and content) getting the most play. As you plan your social application, give plenty of forethought to exactly how it is that participants will manage the friends and members that collect around that person with that application.

### **Why This Matters in Business**

Whether you choose to create a social application of your own or join one that is already in place, the extent to which connections are *actively encouraged* and can be *efficiently managed* are important considerations. Look for tools, functions, and processes—along with the ability to build on them or modify them in ways that make it more likely that participants will create connections between themselves. Not only will this result in increased use and “stickiness” of the community or larger social application, it will also help participants create richer social graphs that facilitate content sharing and the general spread of ideas between people.

As you look at the ways in which you can encourage connections, consider adopting and trending specific metrics and KPIs (Key Performance Indicators) that reflect the degree to which connections and two-way relationships are being created. These KPIs can help you evaluate the effects of connections-oriented tools that you may use, create, or add later on. In addition, insisting on a focus on measurement right from the start puts your social business program on a solid base.

### **Social Network Extensions**

When building a social network, whether from scratch or through a ready-to-use “software as a service” (SaaS) or proprietary platform, or instead building onto an existing social networking platform like Orkut or MySpace, there will be a set selection of prebuilt components and functions that you'll use to define your core participant interactions. Typical of these prebuilt functions are content ratings, member reputation, content uploading, blogging or posting, and similar functions. While these will likely cover the majority of what you'd like participants to be able to do within that application—creating a profile, friending, uploading content, etc.—there will also be a set of

more specific activities driven by your business objectives that may not be immediately available. You'll have to specify and implement these features yourself.

The starting point when building (or specifying) custom social applications and components that extend the base functionality is your stated business objective. For example, when Dell built "Take Your Own Path," its entrepreneur community, the objective was creating a connection *outside of the brand* that was attractive to an important segment of its small business and entrepreneurial customer base. Using this connection, those participants are able to learn more about how other similar business owners and technology managers are using the kinds of hardware that Dell provides.

In the "Take Your Own Path" example, connecting with customers was the business objective. When Indian mobile operator Aircel wanted to simultaneously differentiate its brand—its business objective as a newer telecom firm being development of market share and awareness—it chose an application that gave current customers an identifiable reason to talk with friends and family about Aircel and its unique (within the Indian market) and highly simplified approach to pricing and marketing its Internet (versus voice) services: Aircel created a voicemail application *inside* Facebook, where Aircel knew that a significant number of its mobile customers spent time. By creating a voicemail application within Facebook, Aircel effectively said to its customer base, "We understand that you like to socialize and stay in touch with each other *online*: Having to check your voice mail is a distraction from these activities. So, we've integrated the conversations that happen on *our* network into *your* network, where you and your friends already spend time."

Beyond creating a community or implementing an extension of the available functionality within a social network, how else can you use social technology to extend your own social points of presence—your blog or your website, for example? If your business objectives include expanding your presence, spreading awareness of your business or organization, or similar objectives built around visibility and participation, then one approach might be to *link* your current online content and popular presence points that are relevant to your customers or stakeholders. For example, using the Like plug-in, you can connect your website or blog content directly into Facebook: When someone visits your (external) web page or blog and clicks the embedded Like button, that person is simultaneously (assuming this person is a member of Facebook) sharing this content with friends in Facebook. In Figure 12.2 you can see how this works: When I visit my colleague Gaurav Mishra's blog, my clicking the Like button results in a posting to my wall in Facebook that my friends see, exposing them to Gaurav's post.

How else might you connect to a wider audience via the social graph and social applications that are built on it? Pandora uses Facebook's social graph applications to connect members who are also friends around shared interests in music: one member will be prompted to listen to a particular artist because the *friends* of this person are also listening to that artist. Whether or not this seems a bit "Big Brother-ish" is secondary (unless that aspect of these kinds of social applications directly conflict with

your brand values). What matters more is that it's becoming an acceptable way to spread content. As much as we all pride ourselves on being individuals, a lot of what we do (and therefore purchase) is driven by what we see others like ourselves doing.



Figure 12.2 Facebook's Like Button

### Facebook Marketing: An Hour a Day

If you're interested in learning more about how you can use YouTube in business, check out the newest edition of Chris Treadaway and Mari Smith's *Facebook Marketing: An Hour a Day* (Sybex, 2010). You can follow Chris (@ctreada) and Mari (@marismith) on Twitter as well.

Finally, through the basic best practice of ensuring that everything you produce is easy to share, be sure to include links to the obvious: Twitter, Digg, and similar sharing services can make a big difference in the visibility of the content created by participants within your social applications. Include links to these services in everything you do, and by extension to everything that is created in your applications. Be sure as well that you create your own presence, where appropriate, in existing social networks, especially if your customers or stakeholders spend time there. Known as *brand outposts*, these networks are an easy way to extend your presence into the places where your customers spend time.

### Why This Matters in Business

In the previous examples, the firm's business objectives (being more relevant to more customers to drive more sales) and social technology strategy (being more relevant in the places where customers are already spending time) are what lead to the implementation of the respective applications. Extending the functionality of an existing social network in which you create an outpost, or creating new functionality for a white-label or SaaS social application that you are building around can be an important aspect of a business or cause-related effort to both *build* (awareness) and *activate* (collaboration) customers and stakeholders.

Importantly, as you review and consider the examples presented throughout this book, do so with your own business objectives and the behaviors of your own audience in mind. Unless a specific example or social technology application was called out as something to avoid, you can assume that if it's in this book (or being talked about elsewhere on the Web) that it is or was a "good idea" *for someone*. However, don't be led into the trap of chasing others' good ideas: Instead, link the applications you see here and elsewhere with the underlying business objectives that gave rise to them and then see if *your* business objectives (and the behaviors and capabilities of your audience) line up with them. If so, you've got a potential match: If not, note the idea for possible future review (perhaps creating an entry for it on your internal "future ideas" application) and then move on.

### Content Publishing and Sharing

In addition to outright social networks and the more tightly defined extensions and functional tools that enable participants to accomplish very specific goals, social applications include more generalized software services around which some form of social interaction takes place. Examples of these types of social applications include YouTube for general media sharing, along with services like Scribd, Google Docs, and Slideshare. Scribd and Google Docs, for example, both support publishing and *sharing* nearly any type of document; Slideshare is specific to—and therefore particularly good at—sharing slide presentations. Slideshare and Scribd are excellent places to publish thought-leadership content that your business or organization creates: You'll benefit from the social interaction (commenting and reviewing) and increased visibility (sharing) that these social sites provide.

YouTube offers the immediate usefulness of posting content (rather than hosting it yourself) and sharing it from that point both within YouTube and by embedding that video content elsewhere. YouTube is an ideal place to post content that is then shared through your other points of social presence (making content easier to manage, since you don't have copies floating about). YouTube also provides the built-in benefits of sharing and exposure in its own social contexts: YouTube offers branded business channels, for example, something you can use to organize and share sequences of related content.

What else can you do with YouTube? A lot, as it turns out. Conduct interviews with customers and employees, and then post them: In Chapter 3, “Build a Social Business,” Freescale’s use of YouTube for employment videos and product announcements was noted. You can show customers using your products, offer testimonials, and provide coverage of your own presentations as a part of your outreach and thought leadership efforts. Figure 12.3 shows a video of a presentation with Intuit CEO Brad Smith, as he talks about what Intuit has learned as it embraces social technology as a business. You can find the video on YouTube by searching for its title, “User Generated Unemployment at Intuit.” This video is definitely worth watching: Brad describes his firm’s coming to grips with some of the very challenges that any organization implementing social technology is likely to face.

### 34 Ways to Use YouTube for Business

B2B social media professional Meryl Evans (no relation) offers this list of some of the many ways that YouTube can be used as a part of a social media program in business.

<http://webworkerdaily.com/2009/07/28/34-ways-to-use-youtube-for-business/>



Figure 12.3 Intuit CEO Brad Smith’s Interview on YouTube

While the benefits of sharing content through social applications like Twitter and YouTube are largely self-evident, there are additional applications for content-sharing social sites. If your business objectives include establishing a position as a thought leader, or if you are looking for collaborative input around early ideas that are appropriate for sharing publicly, consider using applications like Scribd, Google Docs, and Slideshare. If you've hosted a webinar, or developed a research paper around a topic of general interest, consider publishing it on these sites.

Slideshare and Scribd are particularly useful for small businesses, consultants, and anyone else regardless of the organization size or vertical specialty interested in thought leadership. Combined with a corporate blog, for example, Slideshare can be used as a sharable publishing point for past presentations as well as presentations created specifically for Slideshare to explain the use of a software service or impact a legislative debate. Figure 12.4 shows the use of Scribd in sharing the owner's manual for a Sony Ericsson mobile phone, along with a Slideshare-based presentation on health-care, authored by Dan Roam and C. Anthony Jones, M.D. This presentation won Slideshare's World's Best Presentation of 2009 contest: It has been viewed more than 200,000 times, and it has been embedded in more than 600 other online locations.

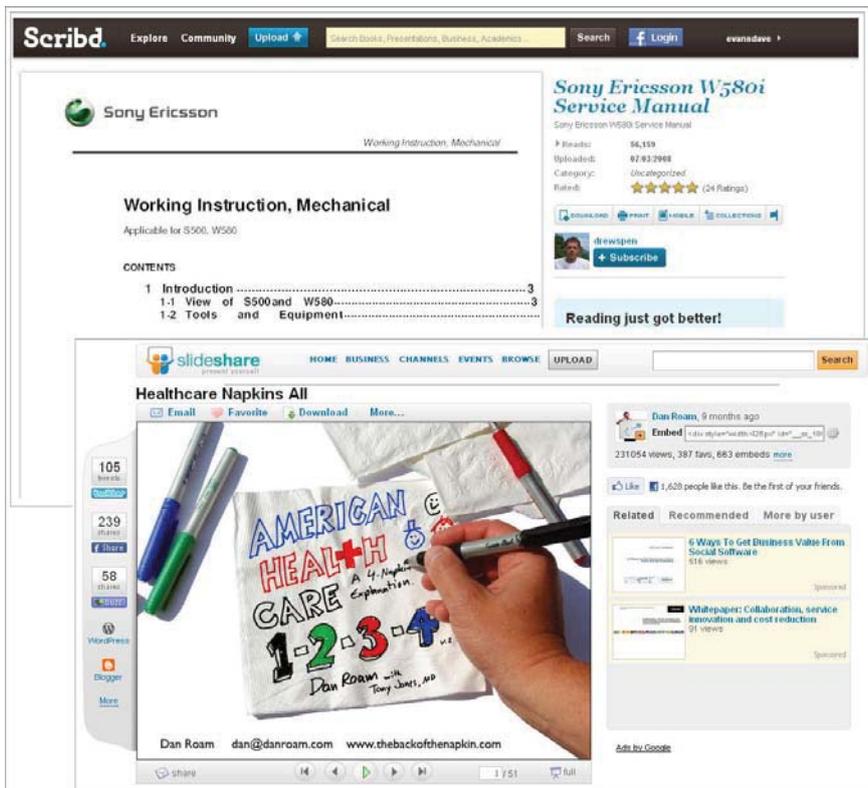


Figure 12.4 Scribd and Slideshare: Document Sharing

### Why This Matters in Business

Social applications like YouTube, Slideshare, and Scribd offer simple ways to extend the reach of your existing content, and they provide a ready-for-sharing platform for your ideas, presentations, whitepapers, and similar content. YouTube, Slideshare, and Scribd support *embedding*—meaning *others* can place your presentation into *their* online site, with full credit automatically extended to you—and as such are excellent vehicles for a component of a thought leadership or similar program in addition to simply getting the word out about your brand, product, or service.

As you set out to plan and implement social applications, make note of the ways in which content publishing sites like YouTube can be used. You don't have to reinvent content uploading, video storage, and streaming, nor do you have to build your own community to distribute thought-leadership materials. Take advantage of existing social applications like YouTube, Scribd, and Slideshare. Save your money (and time) for creating the very specific social applications—such as Aircel's Facebook-based voicemail application or Penn State's "Outreach" employee collaboration and knowledge-sharing platform. And if you haven't already done so, develop and implement your social computing policies. Instead of reinventing what already exists, build off of it and use your resources to fill in the gaps or bring unique value to your customers and stakeholders.

### Curation and Reputation Management

So far, the social applications and tools covered have centered on extending the functionality of social networks, facilitating member connections within them, and using these platforms to publish and share content. In a simplified view, these applications have involved or enabled (further) content consumption, setting up the content-sharing process that leads to collaboration. The next sections cover the applications that you can use, build, or subscribe to in order to move site participants to these higher levels of engagement, to contribute their own thoughts and ideas, and to facilitate collaboration between participants themselves and with your business.

The previously mentioned Facebook Like button is a simple implementation of a more sophisticated class of social applications that support curation, the basic act of voting something (or someone) up or down, of rating, reviewing, etc. *For nearly any type of content, in nearly any application, one of the "new realities" of the Social Web is that people generally expect to be able to rate it, to review it, or to otherwise share it and indicate their own relative assessment of its worth in the process.* This is a subtle but very important insight: Where not too many years ago a web page or online advertisement was largely assumed to be a one-way message, the expectation now exists for the *option* to participate. Posting an article without providing an easy way to rate it or comment on it effectively screams to your audience, "We'll talk, you'll listen."

Curation applies to social interactions—liking someone’s Wall post, for example—and to content itself. For these types of applications, there are as many choices for plug-ins and curation tools as there are platforms. In the general application of ratings and reviews as applied to *commerce* (the items being placed into a shopping basket), the near universal choice among online/offline retailers (for example, physical retailers with an online presence) is Bazaarvoice, and for good reason. Not only does Bazaarvoice offer a proven, easy-to-implement platform, they also provide a rich set of metrics that help their customers tune their online and offline commerce programs. In June of 2010, Bazaarvoice introduced SocialConnect, a platform capability that integrates customer’s comments between social networks like Facebook and the brand’s own websites. SocialConnect supports the Facebook “Like” functionality as well, all of which adds up to enhanced engagement, potential gains in sales, and importantly a reduction in product returns. Best of all, it’s measurable.

### **Ratings and Reviews Made Easy**

From the SaaS-based offering of Bazaarvoice to the DIY/Plug-in components of Js-Kit/Echo, Disqus, and Intense Debate, adding ratings and comments to your social sites is literally a click way.

<http://www.bazaarvoice.com>

<http://aboutecho.com/>

<http://disqus.com/>

<http://www.intensedebate.com/>

If your business objectives call for adding ratings and reviews to a noncommerce site (a thought leadership blog, for example), look in particular at the ready-to-use components from providers like JS-Kit/Echo, Disqus, Intense Debate, and others. Social technology providers offer plug-in modules for use in almost any application, as well as specific components for use with DIY favorites including Wordpress, ExpressionEngine, Drupal, Joomla, and other social software platforms. For nearly any online social platform, there is an associated curation solution: If the platform you are using does not support curation (again, most do), consider strongly moving to one that does.

### **Why This Matters in Business**

Absent the ability to curate, the progression to higher forms of engagement is effectively stopped. In nearly any act of sharing, for example, there is at least an implied sense of rating: “If (I) didn’t think some particular piece of content was worth (your

time then (I) would not have shared it with you.” Beyond the polar “share/don’t share” as a surrogate for curation, more finely grained ratings and reviews, testimonials and other forms of direct, overt curation provide participants in social business applications with a direct pathway to collaboration. Providing the ability for customers and stakeholders to publicly comment and share opinions is essential in drawing people into your social applications and thereby moving participants ultimately toward collaborative involvement in your business or organization.

### **Crowdsourcing**

*Crowdsourcing*—turning to the Social Web and its participants en masse for input to specific challenges or needs—is a social activity that directly drives collaboration: Like ideation, covered separately in the next section, crowdsourcing not only makes “everyone a participant” but does so in a way that provides public credit for this participation. In doing so, crowdsourcing *encourages future participation* and build “stickiness” with regard to that social application.

That crowdsourcing applications have the ability to grow and develop an audience over time is a significant plus: Crowdsourcing applications can be used as a part of a larger social business program to not only pull participants in, but also to keep them involved over the longer term. This is especially helpful when your objectives include both the need to solve a problem or challenge that is suitable for crowdsourcing and also to simultaneously build and sustain a community or similar social structure in the context of your business.

In business applications, crowdsourcing often takes the basic form of publicly asking for ideas or suggestions against a specific business objective. Building on consumption and curation, crowdsourcing is a viable method for accomplishing specific types of tasks that *appropriately* involve your customers or stakeholders. The development of confidential or proprietary processes, for example, is clearly an internal matter, so in these cases consider an internal crowdsourcing application: Dell’s “EmployeeStorm,” or Ford’s use of the Covisint ideation and collaboration platform across its suppliers network are solid examples.

What is suitable for crowdsourcing? Designing a logo, supporting a cause, providing answers to a question, and similar challenges where a diversity of ideas or talents contributing to the solution are all possibilities. Building on a *wiki*—a collaborative document framework that is itself an example of crowdsourcing—Anjali Ramachandran has compiled a list (see sidebar) of business-related crowdsourcing examples. Robert Scoble offers a similar list: Search the Web for “crowdsourcing examples”—and you’ll find plenty more, ranging from design challenges to lawn mowing services to the top apps for mobile phones.

### Anjali Ramachandran

A planner at London-based social media agency Made by Many, Anjali has compiled a list of crowdsourcing applications. You can follow Anjali on Twitter (@anjali28) and view her wiki-powered list here:

<http://www.readwriteweb.com/enterprise/2009/03/can-business-be-crowdsourced-135-real-world-examples.php>

As an additional practical example of crowdsourcing, consider the Dachis Group’s Social Software Wiki, shown in Figure 12.5 and referenced earlier in Chapter 4. The social software wiki is a dynamic list of social tool and platform providers that is maintained by people inside *and outside* of Dachis Group. The Dachis Group’s Social Software Wiki is a “go to” place for businesses interested in learning more about the types of tools available. The collateral benefit—accruing to Dachis Group—is the combination of thought leadership and lead generation.

The screenshot shows the Dachis Group Social Software Wiki interface. It features a navigation sidebar on the left with links for Social Software Resources, Administration, and Contributions. The main content area displays a table of social software resources with columns for Name, Description, Address, Representative Clients, Business Model, Location, and Top Industries Targeted. The table lists three entries: 21Publish, AbsoluteBUSY, and Acquia.

Name	Description	Address	Representative Clients	Business Model	Location	Top Industries Targeted
21Publish	21Publish provides products for the multi-user blogging and publishing needs of businesses, communities, clubs, schools & universities, and non-profit organizations.	<a href="http://www.21publish.com">www.21publish.com</a>			CA	
AbsoluteBUSY	absoluteBUSY - Online CRM software* is a web based CRM solution for contact management, marketing and sales support, project tracking and other CRM (customer relationship management) related tasks.	<a href="http://www.absolutebusy.com">www.absolutebusy.com</a>	AIR LIQUIDE, Argenc, Bertrams-Heatec		Germany	
Acquia	Acquia is building a portfolio of product and service offerings to assist organizations seeking to build Web sites and applications on the Drupal social publishing system.	<a href="http://www.acquia.com">www.acquia.com</a>	Sony Music, ADHACK, The Economist	Services 25%, support services 75%	MA	Media & publishing, consumer goods, non-profit, and government

Figure 12.5 Dachis Group Software Wiki

Pepsi’s “Refresh” project, referenced in detail in Chapter 7, “Five Essential Tips,” along with Coke’s “Fannovation,” referenced in Chapter 4, are likewise examples of crowdsourcing. In both cases, the brands involved are appealing directly to those participating in these social applications to direct the efforts of the brands according to the business objectives as they relate the respective programs. In the case of Fannovation,

the objective is the association of Coke with NCAA sports, accomplished by linking the brand with the crowdsourcing application built around the NCAA fan experience. In the case of Refresh, the business objective is linking the brand—Pepsi—with the causes of its participants through a corporate social responsibility program directed not through an internal committee but directly and transparently through a crowdsourcing application.

### **Why This Matters in Business**

Directly involving customers, stakeholders, potential customers, and others in appropriate collaborative activities conveys to these participants a sense of ownership and control—a stake in the brand, so to speak—that is not possible in a read-only context. Not only does crowdsourcing offer the potential of better outcomes—as defined by those who *participate* in such programs—but also further moves these same participants “up” the engagement ladder, ultimately toward brand advocacy.

### **Ideation**

*Ideation*—a derivative of crowdsourcing built around generating, organizing, and applying fresh ideas to a specific set of business or organizational challenges—is a form of collaboration that warrants special attention. Unlike the marketing-oriented applications of social technology, ideation often drives directly at the operations side of the business.

Ideation platforms are a powerful class of social applications that lend themselves to both business management (for example, process, product, or service innovation) and the quantitative assessment of outcomes. Customer-driven ideation—the specific practice of pulling customers into the business-design process—is important on at least two fronts. First, as noted it is a source of innovation and competitive differentiation. When you’ve been making the same thing for years and years, certain established practices begin to shape every decision. Getting some fresh eyes—and in particular the eyes of the people buying your product or service—applied to rethinking these accepted processes can be really beneficial.

Second, by opening up at least part of the responsibility for collective thinking outside of the current thought leaders, the entire pool of ideas is expanded, driving not only product and service-level change but also process change. Along with better “things” come better ways to make those things. These are exactly the results noted by Starbucks, Dell, Germany’s Tchibo, and Intuit’s Small Business community, all of whom are using the ideation platforms as ways to improve their respective businesses by forging collaborative relationships with their customers.

What really makes an ideation platform work is not the “idea solicitation” per se. After all, how many people really believe that anything actually happens as a result of an anonymous note dropped in a suggestion box? The problem with the classic suggestion box—anonymous or not—is that the suggestion *acceptance* process and any

actual outcomes are not visible to the person making the suggestion. In other words, there is a lack of transparency, a lack of accountability (on both sides), and therefore a lack of significance. “Why bother?” is the most common response, and the opportunity to gather real feedback is lost.

Note that this loss of feedback happens inside and outside the business. In India, more so than any other place I’ve been, following nearly any service delivery in a restaurant, pub, airline flight, etc., I am offered a comment and feedback card. What happens with the data collected is not always clear, though this much I do know: I have received *personal* responses from Kingfisher Airlines following comments and suggestions that I have made using the in-flight comment cards—shown in Figure 12.6—that are *always* offered onboard Kingfisher flights. The result is that, at least when flying on Kingfisher, I *always* fill out the comment card and add a personal note if I have something additional to offer.



Figure 12.6 Kingfisher Airlines In-flight Survey Card

The Kingfisher example provides a key insight into the requirements for socially linking a business, its customers, and its employees: visibility and accountability. The ideation platforms, more than anything else, bring total transparency to the suggestion and feedback processes. Ideas are publicly submitted where they are visible to everyone (content creation and consumption). Next, they are voted up or down by participants at large (curation). Finally, the business stakeholders—a Product Manager, for example—selects from the highest ranked items and offers various versions for implementation, *which are then reviewed again by the participant community* (collaboration). The resulting innovations become additional bonding points for customers as credit is given back to them. The entire process is visible, and the outcome—the actual disposition of any given suggestion—is clear to everyone.

Note that ideation comes in many forms: In addition to purpose-built ideation platforms, small groups of personally invited participants can be very effective: As an example, consider the specifically invited LEGO fans who helped design LEGO Mindstorms, or impromptu feedback sessions with larger groups as a part of existing industry events. Ideation, while it is the formal name given to this new-style transparent suggestion process, does not itself have to be formal.

### Why This Matters in Business

The result of extreme transparency around ideation and innovation, combined with a clear process that steps through the engagement ladder—consumption, curation, creation, collaboration—is that rough ideas are readily provided and turned into solid product and service enhancements with credit flowing right back to customers. *That is a powerful loop.* Check out the My Starbucks Idea site, or even better visit a store and look for “Inspired by You” No-Splash sticks, or reusable Via cups, or the recycling program piloted in the Seattle market, or my favorite—One-Click Wi-Fi—and see for yourself how the brand is reconnecting itself with its customers by listening and implementing the ideas they gain as a result.

In addition to the benefits of new ideas, there’s also the practical reality of customers being *less likely* to complain when their own ideas are put into practice, something that extends beyond the idea itself. Because they see their own ideas reflected in the brand (or, equivalently, other ideas from the Ideation community to which they belong), actual credit is bestowed on these individuals and/or the community groups that drove the innovations.

Finally, when customers are also collaborators in the brand, product, or service, they are more likely to recommend it and defend it. They have ownership for the innovation, and they act accordingly. As they take “ownership” of the brand, instead of complaining they join *with* the brand and go to work on making their own experience better. See the Forrester Reports sidebar “Building Competitive Advantage” for more on how ideation combined with touchpoint analysis can be used to drive competitive wins.

### Building Competitive Advantage

Tapping Social Web conversations can lead to an understanding of the places where your customers—or those of your competitors—feel shortchanged. Combining this information with touchpoint analysis can lead to insights into building long-term competitive advantage, or as Dr. Natalie Petouhoff put it in her Forrester Research report, “Businesses that understand and execute on the competitive potential of technology to innovate customer experiences can easily blow away their competition.” For more, you can follow Natalie on Twitter (@drnatalie) and read her blog here:

<http://drnatnews.com>

## Support Communities

If ideation is the “fresh thinking” business application built around the practice of crowdsourcing that delivers ideas into business and organizations, then support communities—again, these are social applications—are the analogous tools that deliver needed information and solutions back to customers, based on the combined principles of crowdsourcing and direct customer empowerment.

When Dell set out to rebuild its customer service program, Dell’s internal teams noticed something: In its existing online (and offline) support environment, there existed *customers* who really wanted to see Dell succeed, customers who often had some of the answers that were needed in the course of fielding support issues. Inside Dell, something clicked: If there were customers who had specific knowledge that could benefit other customers, and if these same customers were also Dell advocates, could they be directly tapped to help Dell improve and scale its customer service program?

This is the thinking that in part gave rise to the now rebuilt Dell support communities, and it uncovered a basic fact that is common across many industries: Customers are often experts—at least as regards their use of a product or service—and as such are in collective possession of a sizeable body of knowledge. *Properly applied, this collective body of knowledge can radically change their experience as customers.* The problem is that this knowledge is largely unstructured, and it’s distributed in ways that make actual bits of knowledge hard to spot when they are really needed.

Enter the support forum: Organized by topic, and driven by the allure of brand support and the elevation in personal status (a form of “social capital”) for providing correct answers—in public, to other customers—support forums make it easy for customers to tap the larger collective, to self-serve and quickly solve their own problems. Customers can subscribe (typically via RSS) to specific topics—mobile applications or service issues for their particular laptop or TV set—and ask questions and/or offer answers as they are so moved. Over time, that extensive body of knowledge contained in the minds of customers is reexpressed in the support forum discussions where it is curated (“this solution works/this solution doesn’t”), organized, and tagged so that it can be found and applied by those in need.

### GetSatisfaction.com

GetSatisfaction is social application built for use by consumers and stakeholders as they share the problems and challenges they encounter with products and services so that they can collaboratively discover and spread solutions. As a business, GetSatisfaction.com can provide a social component to your overall customer support program.

<http://getsatisfaction.com>

### Why This Matters in Business

Participant-driven support forums provide the possibility of both improved service and the actual determination of ROI. Service may be improved, for example, because the support forum is available 24x7, including all day on gift-giving holidays when the need for support typically spikes, and because the larger body of participants will often have more answers for more issues. Because customers themselves often possess a deep body of collective knowledge about how to fix, extend—think LEGO Mindstorms here, where enthusiasts hack the internal control programs and publish their findings for use by the Mindstorm community—and in general get more out the products and services they purchase, support forums become central to the redefined, collaborative customer experience.

Finally, an answer too on the ROI question: Support calls have a known cost. Support incidents that are fully resolved in a support forum represent a call-center cost *avoided*, leading directly to formal ROI measures and standards to which even the CFO will give two thumbs up.

### Workplace Collaboration

What's been discussed so far has been done so largely from the perspective of a customer or external participant-facing social applications. In addition to externally-facing social applications, every one of the previous points can be applied internally, to encourage the same collaboration *inside* the workplace that customers exhibit *outside* the workplace. In other words, businesses and organizations can adopt social technologies for use internally—citing the same expected benefits—as their customers, suppliers, and business partners who operate on the outside of the business.

To this point, social media consultant and community manager Heidi Miller (see sidebar) noted in a recent blogpost:

*“Research from McKinsey & Company and the Association for Information and Image Management (AIIM) shows that companies are seeing measurable benefits from the use of Enterprise 2.0 applications and technologies. Specific benefits include an increased ability to share ideas, more rapid access to knowledge experts, and a reduction in travel, operations, and communications costs.”*

By “Enterprise 2.0” what is meant is the same types of collaboration inducing, information-sharing tools that define the Social Web. In Chapter 2, “The New Role of the Customer,” and Chapter 3 I referenced Socialtext and similar Enterprise 2.0 workplace solutions. Enterprise 2.0 puts on every employee's desktop the basic social tools and applications that are in use across the Social Web: a profile, the ability to “friend” and “follow” colleagues and other employees, a set of wiki pages and similar collaborative tools, communications streams similar to Twitter (but built for secure

use inside the business or organization), and more. What it all adds up to is an internal structure that is built around collaborative teams, whose members are able to quickly find and share the information they need to get their jobs done, including the (new) tasks of directly responding to and collaborating with customers, suppliers, partners, and stakeholders.

### Heidi Miller

Social Media Manager at Spoken Communications and GotVoice, Heidi Miller is a consultant and community manager working with businesses and nonprofits interested in building and running communities and social applications. You can follow Heidi on Twitter (@heidimiller) and read more about her and her “Diary of a Shameless Self-Promoter” podcast here:

<http://www.heidi-miller.com/>

Enterprise 2.0 tools facilitate connections, inside and outside the organization, to channel the discovered conversations, support requests and collaborative input via workflow processes to the teams that are best able and most qualified to respond. These teams may well be virtual, which is to say that the sorts of teams supported by Enterprise 2.0 applications are very likely to be cross-functional rather than traditionally aligned. That is a powerful idea: If, as you’ve been reading this book, you’ve been wondering in the back of your mind how an organization actually *responds* to collaborative overtures from its customers, now you know: It does so by organizing itself in the same way as they would, using many of the same tools as its customers would use.

Yammer, as an example, is a popular tool, used *inside* over 70,000 businesses and organizations including AMD, Nationwide Insurance, Cisco, and social “coupon” service Groupon. Yammer is essentially a “private network” counterpart to Twitter. Employee collaboration tools like Socialcast, deployed on Sharepoint, or collaborative platforms like Socialtext and Lotus Connections from IBM are examples of the ready-to-use tools that you can apply *inside* your organization to keep pace with what is happening *outside*.

Again, Dell is an example of this exact process: Externally, Dell’s IdeaStorm collects customer’s ideas around specific topics. Inside Dell, EmployeeStorm provides employees with the same basic toolset to create and manage their own “idea storms” as they see process changes and similar structural or organizational tweaks that would improve Dell’s overall ability to service its customers. Combined with its overall commitment to Enterprise 2.0 tools and practices, the result is an organization that is able to respond to and collaborate with its customers.

### **The 2.0 Adoption Council**

Susan Scrupski is the founder of The 2.0 Adoption Council, a professional organization for large enterprise organizations interested in learning about and sharing best practices around the use of social technologies. You can follow Susan on Twitter (@itsinsider) and read more from Susan and The 2.0 Adoption Council here:

<http://itsinsider.com/>

<http://www.20adoptioncouncil.com/>

### **Why This Matters in Business**

Ultimately, running a social business is about organizing around your customers and stakeholders, and involving them directly in your business in the evolution of your brand, product, or service. Very often, the most challenging aspect of this is getting your own organization to cooperate in a way that facilitates working *collaboratively* with your customers, and with other employees. Take a look at the Enterprise 2.0 tools that match your needs, budget, and current IT infrastructure. Align your organization internally to support the demands for collaboration, self-service, and faster response times by your customers. The motivating factor for pulling marketing and operations (and everyone else) together in support of your customers and what you are learning from them and about them on the Social Web is, after all, long-term growth and financial security.

### **Get Started: Plan a Social Application**

Active, participative engagement means that your customers and stakeholders are “buying in” to your business or organization in ways that transcend any actual purchase or transaction. They are aligning around values—established, perhaps, through advertising but then proven out through social applications like “The Good Guide” and “My Ideas.” In addition, your customers are offering their contributions freely as to how your brand, product, or service can evolve beyond the satisfaction of basic needs and wants, and further align with their personal values, passions, and causes.

Closing the loop, the higher levels of engagement possible through social applications can be tapped as drivers of your business objectives. (If not, what’s the point of any of this?) What’s required is a planning methodology that at once recognizes the connection between business objectives, customer or stakeholder desires and behaviors, and the cross-functional nature of your internal collaborative teams to whom the task of delivering talkworthy experiences will fall.

### Branded!

Interested in the application of social technology to retail business? Pick up a copy of *Branded!* (Wiley, 2010) by Lori Shafer and Bernie Brennan. *Branded!* provides in-depth case studies of Starbucks, Zappos, Wet Seal, Macy's, 1-800-Flowers.com, JCPenney, Pizza Hut, and Best Buy. If you're all about retail, this book is all about you.

### The Planning Process

The planning process leading to the successful deployment of a social application necessarily begins with business objectives. Along with them, it defines acts in service of customer and stakeholder behaviors. The planning process uses these same factors to shape the *organizational preparations* that precede the implementation of a social business effort.

*Caveat: This book is focused on the application of social technologies in the support of business objectives. As such, the viewpoint is decidedly “external” to the firm or organization. Recognize that more advanced applications of social technology in business will often require significant attention and change with regard to internal processes that may exist. The short discussions of “workplace collaboration” and references throughout the book to Enterprise 2.0 and internal collaboration are intended to provide an entry point for your further study of this critical aspect of social business.*

This caveat is not as limiting as it may first seem: Beginning with social-media-based marketing—the use of Twitter and Facebook as “outbound” channels for example, or the implementation of a corporate blog and similar outreach activities—the required tools and skills can all be managed to great effect solely within the marketing and communications departments of nearly any organization. Social applications—and the *collaborative* processes associated with the higher forms of engagement—require a more developed strategy for customer involvement, and as a result an elevated response capability, and in general an organization that is able to act *holistically* rather than along functional lines (aka, silos).

### If This Seems Difficult...

...it's because it is. Where creating and managing a basic social presence requires deciding how and where you'll participate, implementing social technology in your business can force efforts “up to and including rebuilding your entire business.” Articulating perfectly why social technology is becoming an imperative, Gartner's Michael Maoz put it this way: “It is more difficult to build a business case based on community participation, satisfaction, and loyalty metrics than on efficiency metrics, but loyalty and satisfaction are what drive revenue growth.” For more from Gartner, see

<http://www.gartner.com>

or follow Gartner on Twitter (@gartner\_inc).

This does not, however, mean that massive organizational change is required to make effective use of social applications. What it does mean is that you need to pay specific attention to the portions of the planning process shown in Figure 12.7, wherein your larger working teams are defined. Simply put, when customers begin talking to you, you need to be ready to respond. Among other things, this will directly raise implementation decisions as to how to best use an agency or other intermediary as a blogging or response partner: Customers expect a timely, genuine response and one way or another you'll need to staff for that.

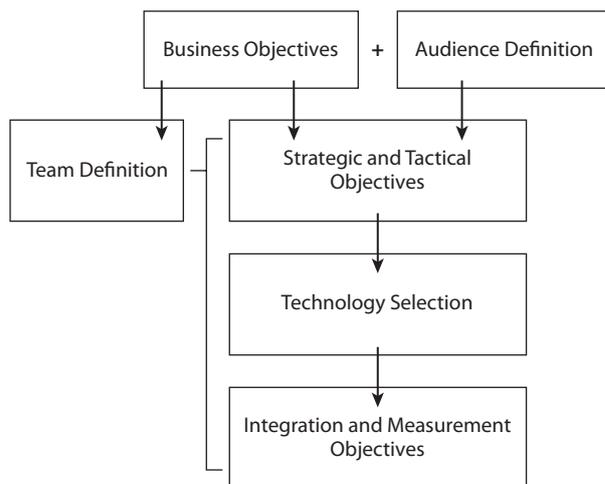


Figure 12.7 Planning Process

### Business Objectives and Audience Definition

The application of social technology is best anchored in business objectives, for several reasons:

- Throughout your firm or organization, while people may not agree on the virtues of social media and collaborative technology applied in business, they do agree on business objectives. If not, you have larger challenges that need to be addressed prior to implementing social technology: If you've ever witnessed a family feud in a restaurant, you've got a good idea of what a business that doesn't know why it's in business looks like on the Social Web.
- By tying to business objectives, the likelihood is far greater that any social technology implementation will produce measurable, beneficial results. Experiments are fine—but then call them that and tie them to a business objective like “being seen by customers as innovative.” Identifying an objective like the one in this example isn't a trick—it's a *start* down the “best practices” pathway of *always* tying to business objectives.

- Understanding your business objectives and organizing your social technology planning process around them ensures that your approach is “business challenge and expected contribution first, choice of technology second.” Note that this bullet item has an ROI of its own. If you doubt it, add up the costs in your own organization of technology implementations that failed because the chosen technology never matched the business. Cost avoidance—in this case, not making that mistake with social technology—has a knowable and legitimate ROI.

On this last point, in the 12 chapters of this book there have been references to a large number of technology platforms, partners, and solution options, all of which do basically the same thing: They support the development of conversations and ultimately encourage collaboration between participants in a defined network that is important to your business. Starting with business objectives ensures that you will correctly identify the technology *best suited* to your specific situation. When it comes to social technology, given all of the unknowns, there is one thing that is certain: You have lots of choices.

Right along with business objectives, consider next the participants (or lack thereof) that you expect to interact with or learn from. While the use of ratings and reviews is nearly a given across *all* age groups within the United States, Canada, and Europe, this is not always the case in developing markets where technology adoption itself has a pronounced “age” factor. In India, for example, while there is a very important (and large) component of the marketplace that *is using social media* in substantially the same way as any other marketplace, the difference between those connected and those *not* connected to the Social Web is significant and therefore must be considered. When Godrej (a respected Indian manufacturer of a wide range of consumer goods) announced its plans for its online community called GoJiyo (meaning “Go Live”), Godrej patriarch Adi Godrej described the effort at a conference I spoke at in Bangalore as being intended to *reconnect* Godrej with the emerging Indian youth culture. The insight is this: Godrej has a much larger marketing effort supporting its entire marketplace. GoJiyo is *one component*, tied to a specific business objective and created for a specific (and growing) customer segment. That is smart thinking at Godrej, and it’s the right approach anywhere.

#### **Internal Readiness: Workflow and Your Response Plan**

Coincident with your external social technology plan, begin early the process of identifying and recruiting colleagues across business units for the development of your cross-functional social technology team. Need help getting started? Go back to the identified business objectives: Who has profit responsibility associated with those objectives? Those are good people to start with. Add representatives from your legal team: They can help you create effective social media policies that are consistent with the culture of your firm or organization. HR and Finance/Compliance are part of this too: Sarbanes-Oxley, in the United States, and the unfettered employee use of social

technology—including by employees when *outside* the workplace—can be a troublesome mix, to say the least. Customer Support is as well a great potential partner in your social technology planning process.

Workflow is an important factor in your implementation, so look for intelligence tools (for example, social media listening and analytics platforms) that offer robust workflow support. Refer back to the flowchart (see Chapter 1, “Social Media and Customer Engagement”) developed by the U.S. Air Force for systematizing your response efforts. In particular, consider who will actually respond, and create estimates for the amount of time a response to a tweet or blog post will require and then build this into your cost and effort plan for the upcoming period. Attention to details like this will pay huge dividends as you ramp up collaborative social media programs.

### **Social Web Presence**

With your business objectives and audience(s) defined, and a thought-through plan for how you’ll manage conversations directly involving customers and stakeholders—for example, responding to tweets, managing and participating in comments on your blog, or keeping a Facebook business page updated—you can complete a basic specification for the kinds of activities you’d like to engage in.

Listening is always a great starting point (See Chapter 6, “Social Analytics, Metrics, and Measurement” and Chapter 7), especially for inputs to your planning process. You can estimate the workload associated with your response efforts by studying what is being said about your brand, product, or service in current social channels. Add to this your basic outreach channels—a business presence on Facebook, Twitter, YouTube, or Linked In—and then ask the bigger question: Given your business objectives, audience, and current social media programs, what needs to happen to move customers and stakeholders to higher levels of engagement, and what is it that you specifically want to accomplish as a result?

The higher forms of engagement—content creation and collaboration—are essential elements of contemporary marketing. Business objectives relating to the development of brand ambassadors and advocates, enhancing the value proposition of your product or service, inspiring and guiding innovation, and the improvement of brand image are parts of this planning process. Comcast used Twitter not only to address its critics’ negative posts with regards to the firm’s perceived lack of visible care for its customers, but also to call attention to its own positive adoption of social technology and improved response capability in a public forum so that (offsetting) credit would rightly flow to the brand as it worked to reestablish itself in the eyes of its customers.

### **Initiate Your Plan**

There are some surprisingly easy-to-use tools that can help you get started building beyond social media marketing and head deeper into the realization of a socially

connected business. Table 12.1 connects the broad classes of social applications to common tactical business objectives.

► **Table 12.1** Social Applications and Tactical Objectives

Social Application	Tactical Objective
Listening	Learning, conversation analysis, source (influencer) identification
Publishing and Sharing	Conversation initiation, knowledge transfer, content creation (engagement).
Support	Problem identification, product and service enhancements (innovation)
Ideation	Collaboration, innovation, competitive differentiation, brand loyalty
Community	Advocacy, brand loyalty, development of sustained conversations
Internal Applications (Enterprise 2.0)	Internal knowledge transfer, collaboration, response facilitation

Building on the basic planning process, and with your internal workflow and response programs defined, this first step up from social media marketing—toward the higher levels of customer engagement like content creation and collaboration—centers on connecting your online presence socially, into the communities and social activities of your customers and stakeholders. If you’ve taken—or are ready to take—the relatively hard steps of preparing your internal operations for the collaborative involvement of your customers, suppliers, partners, and stakeholders, you’ll find that implementing and thereby benefiting from social tools is relatively easy by comparison.

## Review and Hands-On

Chapter 12 tied together the concepts of higher-level forms of engagement—content creation and collaboration for the purpose of driving advocacy—with the basic best practices around the use of social objects and the social graph. The discussion of social applications centered around enabling the kinds of activities that lead to conversation, new ideas and innovations, and suggestions guiding your continuous improvement programs.

### Review of the Main Points

Review the main points covered in Chapter 12, listed below. Consider these as you begin to develop your overall plan for the integration of social technology in your business or organization.

- Social applications tie social objects and social graphs together. Simply put, people connect with other people around the things that interest them in order to accomplish tasks that improve their lives.
- Internal readiness—the capability to respond and to address business challenges holistically rather than functionally—is an element of your social technology implementation effort.

- Social technology begins with business objectives. Don't let the technology guide your implementation, but instead let your objectives guide the technology selection.

In summary, unless you are ready to tackle Enterprise 2.0 (or you are working in an organization that is already doing this), the starting point in applying social technology to business is in *connecting your customers and stakeholders through collaborative processes* that link business objectives with the higher levels of engagement. You can speed this process within your own functional area with the assistance of informal cross-functional teams. Take the time to build support in other parts of your business, and you'll find the entire process significantly easier. The typical starting point—after the implementation of a listening program—is generally connecting your business presence into the existing social spaces where customers spend time, setting up an effective listen-understand-respond process. That is then followed by the implementation—as driven by your business objectives—of collaborative tools such as support and ideation platforms to drive a basic business norm of “Listen, Understand, Evolve.”

### **Hands-On: Review These Resources**

Review each of the following, and then take note of what you've learned or gained insight into: How can you apply (or specify the use of) these items in your own projects?

- Visit the tutorials\* and resource pages for the APIs and social plug-ins associated with Facebook, MySpace, Twitter, Foursquare, Layar, and similar platforms. Gain an appropriate understanding of the intended uses of each, and then look at the examples of how they have been used to create differentiated social technology solutions.

\*If you are not a programmer, read the summaries and cases associated with each. The objective here is to obtain ideas on how these services and tools might be used.

- Visit the websites of Jive Software, Lithium Technologies, GetSatisfaction, Microsoft Sharepoint, Lotus Connections, SAS Institute, Socialcast, and Socialtext. Gain an appropriate understanding of the intended uses of each, and then look at the examples of how they have been used to create branded social applications.
- Visit Slideshare and search for presentations on “Social Applications.” You'll find great resources for almost any type of business.  
<http://www.slideshare.com>
- Using Twitter, follow the conversations around global applications of social CRM. You'll find the conversations organized for you under the “#globalscrm” hashtag.  
<http://twitter.com/#globalscrm>

### **Hands-On: Apply What You've Learned**

Apply what you've learned in this chapter through the following exercises:

- 1.** Articulate your business objectives, and define your audience.
- 2.** Given the discussion of social applications, develop an idea for a social application that serves your business objectives and fits with your audience behaviors. Write a complete brief around its deployment. Include within this your development efforts supporting a cross-functional internal team.
- 3.** Tie this plan to your existing marketing and business efforts, and to your accepted business metrics. Define your guiding KPIs, and if appropriate the basis for establishing ROI.