

Using Social Media:

IT Executive Exchange

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Social Media – the Hype Cycle

Social media has created a new way for companies to create awareness about their products, learn about their consumers and solve problems all while giving them a tool to reduce costs and increase data collection. However, as with any type of media there are disadvantages and issues created through the use of these social platforms.

Susan Lowry from SquareOne Consulting moderated the day's discussion.

Social media is not just the well known sites such as YouTube, Twitter and Facebook but encompasses all social media platforms and is defined as communication that is many to many rather than email which is one to one or one to many. It is an uncontrolled conversation and one that will continue whether or not companies are part of it.

Globalization is driving social media by providing companies with a way to do more with less. It creates the possibility of open collaborations and consumer involvement. Communication throughout companies is becoming streamlined often causing organizations to become flatter.

Social media is fairly new and still considered cutting edge but studies such as Gartner Hype Cycle are already being applied to social media. In the beginning, there are inflated expectations because of the hype. As reality sets in we move to the trough of disillusionment where questions are raised such as, how does this platform get over the hump and match the business goals? Finally, the cycle moves into the mainstream area. Social media is currently coming out of the trough but is still nowhere near mainstream yet

as users are still working to figure out the more efficient way to use these platforms and new platforms are still being created.

The trend appears to be that everyone pushes to publish but the truth is that 90% of users are just reading other reviews and posts while 9% are commenting on the posts and only 1% actually publishes. Within the ITEE members that were present, only two members admit to publishing their own material whether for their company or personally.



How do companies use social media?

Companies are building entire social media strategies in order to work closer with consumers and engage them, be more effective across the globe, bring together expertise, work closer with suppliers, bring innovation to market (better, faster and more cheaply), resolve problems and improve hiring and retention.

Employee engagement is also a reoccurring use of social media. These platforms can connect someone inside an organization with someone who may help them but who they may not know or be able to contact in other ways due to

corporate hierarchy constraints. It also provides a way to access information regarding previous outsider interactions with a potential customer.

Social media is also influencing B2B EC. Buyers may not necessarily be interested in it but the managers who influence them are and want it incorporated in every aspect possible.

Why should companies be involved in social media?

Conversations will happen regardless of the company involvement, peers will talk about you whether or not you are involved. Turning a blind eye because there is no plan in place to deal with the negative is not a good approach. While it may not be known what to do immediately it is important to understand the problems.

Comcast is a great example of using the negatives about their company, found through social media, to create a better way of handling customer service. A video was posted on YouTube of a Comcast technician who was on hold with the corporate office so long that he fell asleep on the phone while at a customer's home. Comcast was so embarrassed by this that they are collecting posts and comments found on the web and used them to create ComcastCares on Twitter. This allows consumers to tweet a problem and get immediate feedback.

Social media is a channel much like email; it is a tool that can be used to fix some gaps within companies. It is constantly changing, different platforms will come and go but it is important to know what is out there and what you can do with it.

Creation is not necessary, these platforms have already been created. Social media is

international and great for driving visibility. It can help to reduce the costs of customer support and email by allowing the companies to use someone else technology.

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What kinds of social media platforms are out there?

The newest trend in social media is the Q&A. This is huge with technology companies. Sites such as LinkedIn Answers, FixYa, and Quora allow consumers to post questions regarding

every day problems and then people who are tech savvy post answers that are then graded based on usefulness. Panasonic is a good example here because there were a lot of problems with one of its models but they didn't know about them until searching sites like these.

Skydrive, Dropbox, and Teambox are social media tools that allow collaboration and sharing of documents. Indiegogo, MeetUp and Kickstarter are all crowdfunding social media platforms that allow users to find people who are similar and even allow them to meet face to face if desired.

Pinterest is one of the most interactive social media sites and currently has more users than Facebook. Similarly, Svppl (pronounced supply) was just bought out by eBay and combines the technology of Pinterest but once something is pinned the ecommerce information comes up and allows the user to buy the item, save it for later or look for coupons.

Get Satisfaction is a crowd source customer service site where people with the same problems write about how they fixed these problems for other users to see. A group member raised the question here as to whether or not a company could use sites such as these to steer the conversation by creating fake personas to both ask and respond to a question regarding their products using information from the users manual. While this may be a way to get

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information out there for consumers, the creation of fake personas is an ethical question that will company could use sites such as these to steer the conversation by creating fake personas to both ask and respond to a question regarding their products using information from the users manual. have to be dealt with internally at each company.

Social media is also being used to gain ideas from consumers and employees about how to improve the company. Dell Idea Storm has been around since 2007 and was created to allow customers to post ideas about what they wanted to see in their products. My Starbucks Idea is another site that allows customers and employees to post ideas and suggestions regarding company policy as well as consumer products. Idea sites such as these can result in innovation in products but due to constraints it may be difficult to implement every idea. It becomes important to allow participants to track the progress of their ideas so that they are able to feel more control and therefore are encouraged to participate more even if their ideas are not implemented.

Companies are also using sites such as Topcoder, Skyworks and Code for America, which allows users to post jobs, search jobs and tag, resumes. They are also using YouTube in order to post training videos and gather information regarding their company and products. Companies such as Proctor and Gamble have a channel that walks users through the entire hiring process. While channels that are paid for do not have a limit on the length of the video the free platform restricts users to 2 minutes or less, however, this is usually when consumers begin to lose interest anyway.

Social media sites such as Innocentive are being used for innovation in problem solving. Netflix allowed outsiders to have access to information regarding their movie recommendation algorithm and offered a prize to the person that could increase the algorithm by 10%. GoldCorp gave participants information regarding a location and offered a prize to anyone who could

find the next six million ounces of gold; they were able to locate eight million ounces and 110 new sites.

Colleges and Universities are using social media to monitor what their athletes are saying on sites such as Facebook and Twitter by having keyword searches that notify coaches when they are detected. These types of applications are usually opt in meaning that the athlete must opt in to be monitored however, the service are usually strongly encouraged by the university.



There is a fine line with this type of monitoring and instead many companies are encouraging employees to have two profiles or to not identify themselves as an employee of a particular company. A problem with two profiles is that in the end these profiles may be linked even if it is

not by you through friends or outsider notification. The issue becomes blurred further when you are a person of notoriety for a company.

Should companies sit back and let social media happen around them and wait until it plays out?

It is impossible to ignore social media even if you do not participate. Others are still going to talk about you. It is no different than what people are pushing or saying live in the stores or on the streets. It is just on a larger scale. Companies should be involved and have a unified face in the social media world in order to create a place for consumers to go in order to validate or debunk other information that is out there.

Did you know: More content is uploaded to YouTube in a 60 day period than the three major T.V. networks created in 60 years.

What are the problems created by social media?

FBI data revealed that something close to 40% of profiles are fake in some material way whether it be information that is misrepresented or fake personas. Twitter is even worse.

It is easy to create profiles and post fake reviews but social media platforms are trying to eliminate those themselves and legitimize their base. A question was raised, wouldn't they want a larger base because it draws more revenue? This is not the case because if they cannot reach real consumers they cannot create real stakes for their advertisements. Companies too are realizing that this sort of advertisement may be the way to go. Facebook advertisement is not working because consumers do not use the site to shop or even when they are looking to make a purchase but to see what their friends are doing and stay connected.

Other disadvantages include unwanted disclosure, loss of trade secret information and violation of confidentiality. In today's social media driven society, many people disclose information and they do not realize it is considered confidential. It is important to train employees and suppliers in regards to what information can and cannot be provided from obvious product details to the every day tasks of their job.

Continued education and training on policy, tools, processes, and digital assets as well as positive examples are important aspects regarding social media policy.