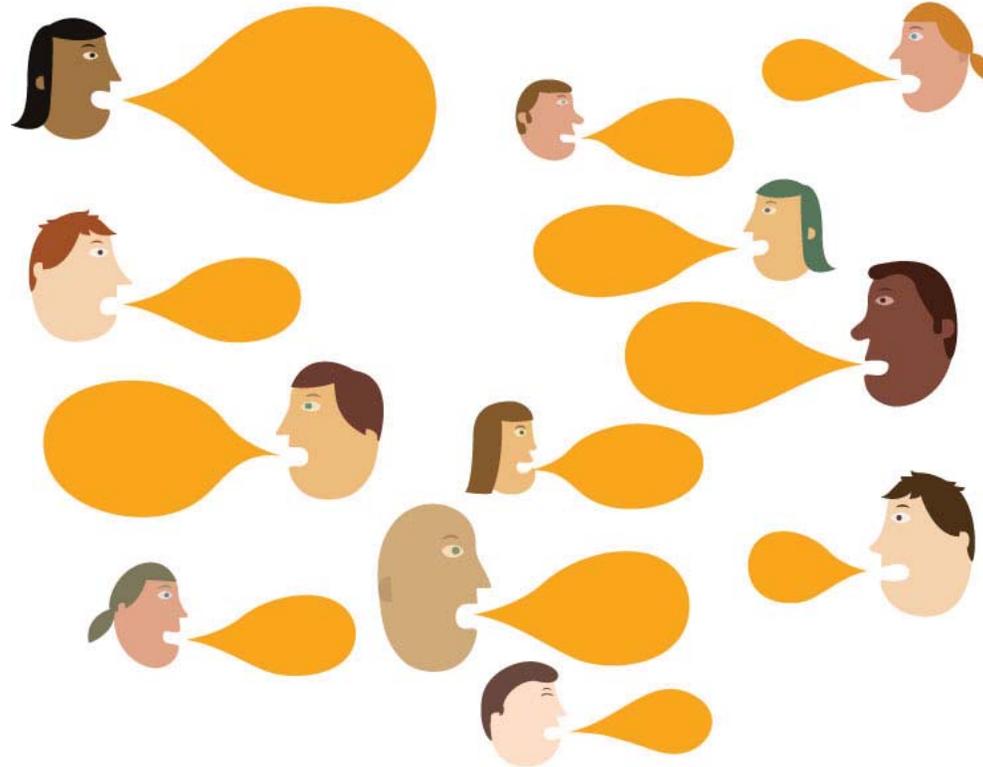




White paper



# Enabling the Social Company

by Steve Outing





**INTRODUCTION:  
It's time to cede control  
of the message...  
Now the consumers  
are in charge...  
Here's how to adapt.**

Most media companies have failed. Too many marketers have failed. The world has changed; consumers have changed. Most companies have not.

What's this big change? Consumers have been empowered by the Internet. They're no longer willing to just be the recipients of marketing messages from brands, or readers and consumers of media content. Now they can talk back to brands, and to big (and little) media. ... They're free to ignore brand messaging and get their purchasing advice from digitally networked friends. ... They can blog, produce and publish videos, share photos with a global audience, produce podcasts. ... They have been empowered with the tools of digital media.

We are smack dab in the middle of the age of personal expression, where the tools allow everyone to not only express themselves in many forms, but to reach out to distant and personally relevant audiences -- where the cost of doing so is close to zero. The consumer is eager participant, willing to contribute as well as consume. The old (one-)way is dying.

Marketers and media companies are looking for help in understanding this profound transition, and then for advice in adapting. It is our humble hope that this Enabling the Social Company white paper will shed some light on what's happening, and offer some ideas to you and your company for not just surviving the transition, but prospering because of it.

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## Social networking? What's in it for my company?

*Social networking and grassroots media are changing the way people ... evaluate products, and interact with brands that mean something to them.*



Unless your business is headquartered in a cave where Internet access is unavailable, you've heard the buzz about "social networking." If you've really been paying attention, you also may have heard of "grassroots media" (aka, "social media"). Certainly you're aware of the stars in the social networking sector, MySpace (well over 100 million users) and Facebook (34 million users). We bet the word on that has even reached the cave dwellers.

Those two Internet buzz phrases are something every business and publisher should know about, because they are changing the way people communicate with each other, find friends, evaluate products, and interact with the brands that mean something to them.

Social networking and grassroots/social media are two trends that you need to understand, so you can apply them at your organization. AND they may represent a promising new line of business for you.

This white paper will provide an overview of social networking and grassroots media, and provide advice on how your organization can take advantage of the opportunities they afford -- from full-fledged hosting of social network communities, to social engagement strategies.

### **What is social networking? ... Grassroots media?**

Social networking, as defined for the online world, is about forming communities of shared interest, and giving people in those communities tools to come together, communicate with each other, and produce meaningful content that is important to them. Online social networks allow people to dramatically expand their personal social networks, finding others with shared interests or values. They are friend-making and -keeping machines.

Social networks also provide the tools for their members to become content producers, facilitating user-submitted photos, videos, blogs, multimedia, reviews, etc. Their members share of themselves with their personal social networking communities, becoming publishers by participating. The "content" that is on a social network does not come from the publisher, it comes



## Social networking? What's in it for my company?

*The Internet is the dominant force in our culture today because it enables people to find and talk to others who share interests -- and talk to brands that they care about.*



from the users themselves -- and their interaction is a major portion of the content. What the social network operator brings to the table is the publishing and personal-communications tools, plus management and oversight to keep the community in order. (The latter is super important. Online communities can be messy things.)

Grassroots media is another element of the grander "social media" picture that includes social networking. A key word in understanding grassroots media is "we." As in, it's "we" who provide the content for grassroots media. Anyone with an interest can share a photo or video that they shot on a grassroots media site, or post a blog item, or write a story covering an event. You don't have to be a professional writer or photographer to participate in grassroots media. It's for everyone.

### Opportunities in social networking + grassroots media

Social networking is the fastest growing segment of the Internet right now; social networks are the highest-traffic category of website, thanks to the wild success of MySpace and Facebook, especially. The social networking leaders have proven that people of all ages (but especially younger people) -- in very large numbers -- do want to interact and create content on the Internet, not just consume information.

*This is the major lesson of the Internet era. Media today is no longer about "elites" [professional media, marketing departments of companies] pumping out information and sales pitches while the masses listen in. The Internet is the dominant force in our culture today because it enables people to find and talk to others -- existing friends and new ones who share their interests -- and **talk to brands that they care about.***

For both companies and publishers, social networking and social media represent a promising new line of business. If your organization can get its customers or members to interact with each other -- and with you -- online on a regular basis, you're looking at a potentially large increase in web traffic for your brand. Facebook and MySpace are among the very top trafficked



## Social networking? What's in it for my company?

*An example of an industry that's begun to embrace social media is the National Football League.*

websites on the Internet because their users click a LOT. Communication flies back and forth between social network member friends, and page-views (and resulting ad impressions) mount.

Any organization with a tight customer or user base should be thinking about applying social networking and social media applications to its business. For companies not already in the media business, they can even think about getting into it via social networking.

An example of an industry that's embraced social media is the National Football League, which has begun to transition its websites from one-way marketing vehicles to highly participative, two-way hosted online communities. The Indianapolis Colts, for example, in 2007 debuted a MySpace-like social network for the team's fans, MyColts.net. The Colts are an example of a company with a passionate customer base for which it can provide a social networking environment -- and thus monetize online fans.

For media companies, adding social networking to what they already do -- creating a new new-media segment for their businesses -- is a no-brainer. What's less obvious is the notion that other types of companies can take advantage of the phenomenon.

### The marketing continuum, circa 2007

*1-way communication*



Traditional media advertising

*Hosted 2-way communication*



Non-interactive online banners ads



Corporate social networks

*Non-controlled customer interaction*

M. Simon says:  
I just want to say that this is a fabulous or anticipation of what is certain to be a that you don't actually have to read, Um fact, I don't even PLAN on reading the bo rather even NOT read this book this com robbed in the great turtle race. I hear fro



Flickr, Amazon customer reviews, et al





## Corporate social networking: Coming down from the ivory tower

*The playing field has leveled. Consumers are empowered to talk about brands to a wide audience.*

Historically (pre-Internet, that is), corporations got to talk down to their customers and potential customers, with marketing and sales pitches aimed at them from the corporate tower. If there was any talk going back up (consumer to corporation), it was mostly in the form of private communication, not public. And there were barriers in the way that slowed consumer communication from getting too high up.

The online revolution changed all that, of course. The Internet gave everyone a megaphone and a means to talk to anyone else, no matter where they may be. Consumers who like or don't like a product can now amplify their opinions on blogs, online discussion forums, and consumer product review websites -- or just blast their thoughts about a company or product to friends via e-mail, MySpace, Facebook, instant messaging, or cell phone text messages.

The playing field has leveled. Consumers are empowered to talk about brands to a wide audience.

Alas, many marketers haven't kept up with this profound change in their business environment. They're still largely operating in the old way, spending millions of dollars on TV and print advertising that are anything but interactive. They haven't yet realized that marketing is becoming a two-way street with equal lanes going each direction.

It's time to cast those old ways aside.

### **Web 2.0: The new customer interaction**

What's commonly called "Web 2.0" (social networking, grassroots media, consumer-generated content, online community building, etc.) has changed the core relationship between customer and brand.

Here's how:





## Corporate social networking: Coming down from the ivory tower

*If you want to buy something, you've got a lot of friends online to guide you. Traditional ads and marketing? Who needs those anymore?!*



**1. Consumers trust their network, not your marketing.** This is the most profound change wrought by Web 2.0. Most people no longer trust company marketing messages when they make purchasing decisions. They don't have to any longer. They trust the opinions of their friends and the people in their network.

Nowadays, because of the Internet, people have lots of "friends" to ask for advice. The friends may be members of an online community or forum, who have some expertise and are willing to share it online. They may be strangers who have posted a product review online, or responded to a question, in a forum that you find valuable. If you want to buy something, you've got lots and lots of "friends" online who will guide you with their opinions. The company's marketing and advertising messages? Who needs those anymore?!

Your reaction to this trend should be: Get me in on those consumer conversations. I need to be part of them!

**2. The masses now have the power.** Got a bad product you're trying to hawk? Too bad. In today's environment, it will fail. People who have bad experiences with you or your product will tell the world about it via various online venues. That word will spread. You're toast.

The solutions: 1) Stop making bad products; listen to the consumer feedback and fix it. 2) Join in the conversation. When people are talking about your company or product negatively online, join the conversation. (You can.) Don't get defensive and deny the criticisms; either explain why it is the way it is, or acknowledge the feedback and report that it will be helpful to you as you improve the product or fix problems.

**3. User-generated content is now seen as having value.** Some call this the "democratization of expertise." That simply means that self-anointed experts -- journalists, authors, pundits, spokespeople, etc. -- have some serious competition: everybody else. [Wikipedia](#), the "democratic" encyclopedia in which anyone can contribute their expertise on a topic, has become a serious contender to [Encyclopedia Britannica](#); not only is Wikipedia used by more people than



## Corporate social networking: Coming down from the ivory tower

*This is the generation that grew up playing computer and video games. Being a one-way receptacle of information is not in their nature.*

Britannica as a research tool, but studies have demonstrated that the “people’s encyclopedia” compares favorably to Britannica in quality and accuracy. Websites like Digg have emerged to capture the “power of the crowd” to identify the best stuff published online.

What does that mean for your company? It’s OK -- indeed, it’s time -- to encourage your customers to share their expertise and their opinions. That can be especially useful in learning what consumers think of what your company offers, and what they would like to see from you in the future.

**4. Consumers expect to talk.** This is especially true for younger people, who have grown up in a world where interactive (two-way) media is what they’ve known all their lives. When teenagers or college students go online, they expect to interact, not just sit back and “consume” what a website feeds them. This is the generation that grew up playing computer and online games. Being a one-way receptacle of information is not in this generation’s nature.

Ergo, companies need to interact and talk with their customers and potential customers. The old way of marketing doesn’t work for this crowd.

**5. Consumers are telling companies what they want.** In a Web 2.0 environment, companies get to listen to a wide range of voices expressing their opinions, needs and desires. When companies listen to what the audience is saying -- and build online venues that encourage consumers to express themselves -- they can innovate faster and more intelligently. The opening up of channels of consumer voices is a wonderful tool for companies to use to build what consumers really want.





## Corporate social networking on the rise

What we're beginning to see are companies that have not only identified the social networking trend, but are starting to do something about it.

Experimental social networking initiatives are testing out the two-way communication that gets brand and consumer to interact, and lets brands play host to consumer-to-consumer communication.

These are very early days in the transition from traditional marketing to conversational marketing. But here are a few examples:

*MyColts.net launched in July 2007 -- and had more than 7,000 registered users in the first week.*

### MyColts.net: Social network for football fans



One of the first social networking sites created by an NFL team, MyColts.net launched in mid July 2007 -- and had more than 7,000 registered users in the first week. The site is meant as a place (sanctioned and operated by the team) for fans of the Indianapolis Colts to hang out with each other online. You can sort of think of it as sports talk radio turned into an online community. Among the features waiting for fans:





## Corporate social networking on the rise

- Photo gallery for fans to upload their pictures.
- Personal profile pages for fans.
- Ability for fans to write and publish blogs.
- Interactive calendars where users can post their own events.
- Discussion forums.
- Ways for Colts fans to talk with each other and hook up (find a buddy or relationship).

*A few weeks in, about 9,500 pictures had been uploaded by fans into the personal photo albums.*

The site succeeded quickly in recruiting fan content. A few weeks in, about 9,500 pictures had been uploaded by fans (excluding their profile photos) into the personal photo albums. That worked out to about 1.4 photos uploaded for every registered user in the community. It demonstrates that when you have a devoted customer (or fan) base, online interaction and content uploading IS something people want to do.

MyColts.net, surely a harbinger of a wave of social networks established by professional sports teams, is an example of the trend mentioned earlier in this whitepaper of some corporations adding “media company” to their descriptions. The Colts social network brings in advertising dollars from such companies as AT&T. The site is something that just as easily could have been created by an Indianapolis newspaper or TV station that covers the team. But the Colts realized that there was value in having their fans gather online under their auspices.

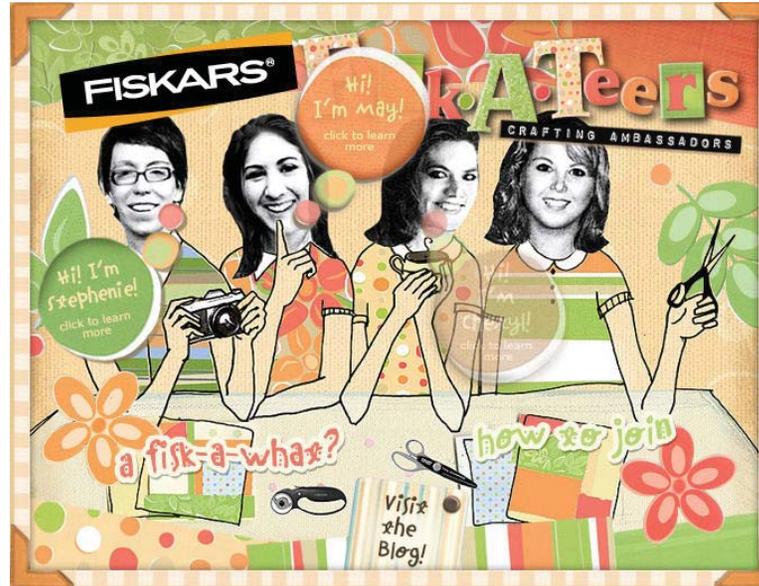
The site isn't perfect, but it's a start. While MyColts.net provides a nice way for fans of the team to interact, there's not yet much opportunity for fans to interact with coaches and players. The team is still in their “ivory locker room,” and needs to open the doors a bit to let fans in for more contact.



## Corporate social networking on the rise

### Fiskateers: Letting the customers market to the community

*The Fiskateers model takes the approach of putting personalities at the core of the social networking site.*



Scissor maker Fiskars, which counts scrapbook enthusiasts as a key customer base, created a website called [Fiskateers](#). The site has 4 Fiskateer ambassadors, who serve as community leaders, bloggers and cheerleaders for scrapbooking. Anyone can join the site and become a Fiskateer, and then they can:

- Share their scrapbooking projects online.
- Read the ambassadors' blogs and comment.
- Participate in discussion forums.
- Make friends with other scrapbookers.
- Find Fiskateer and scrapbooking events (online and off).

The Fiskateers model takes the approach of putting personalities at the core of the social





## Corporate social networking on the rise

*“All it took was Fiskars being smart enough to find these passionate community members, then empowering them to market for them.”*



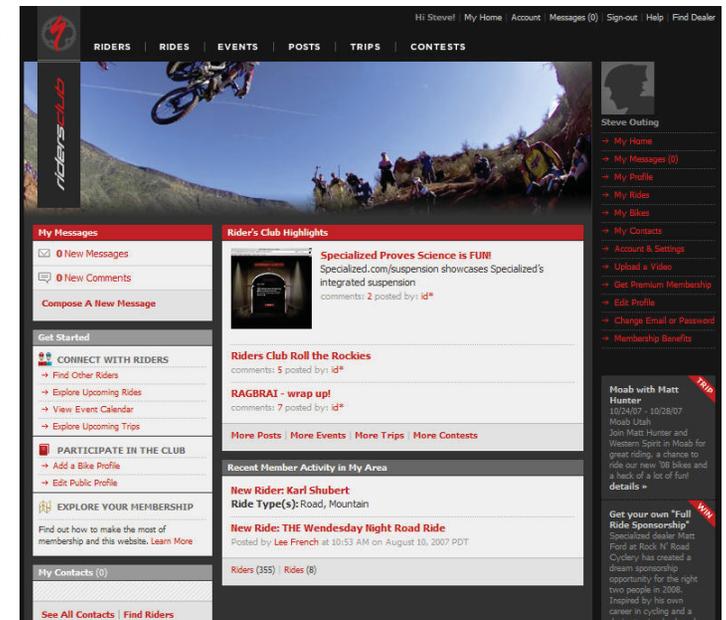
networking site. These community leaders provide a good base of quality content, and serve to encourage other members to participate. Especially with a social network that centers on a fairly narrow topic, it's a good idea to have someone (or someones) leading the charge. (Celebrity status is nice for these positions, but it's not necessary; the Fiskateer ambassadors are non-celebrities with day jobs who happen to be accomplished and enthusiastic scrapbookers.)

Mack Collier of The Viral Garden blog wrote of the Fiskateers social network that it is powerful because the marketers (the Fiskateers) are marketing to the same community that they are members of. “All it took was Fiskars being smart enough to find these passionate community members, then empowering them to market for them.”

## Specialized Riders Club: Enthusiast community on top of a brand

Specialized, maker of road and mountain bikes and one of the top brands in the industry, has created a social network called the Riders Club as a way to engage its customers over the long term. The intent of the club is to create an online social experience, where normal riders (of Specialized bikes, presumably) can interact with cycling celebrities and Specialized itself.

Some of the “special” members of the Riders Club are famous Specialized-sponsored bikers like Ned Overend, the mountain bike racing legend. The content produced by members like him





## Corporate social networking on the rise

*The website isn't about selling shirts, but it no doubt does.*



augments that from everyday riders, who can share their videos and photos on the site.

The site also promotes organized rides and trips, with the intent of getting Specialized bike owners to get together in the physical world -- and cement their relationship with the company. Members who develop this warm relationship with Specialized are more likely to purchase another of the company's bikes in the future, and influence friends' purchases.

An interesting twist is the offer of a \$49-a-year premium Riders Club membership, which gets you special stuff like a Riders Club jersey, free magazine subscription, and a book.

### **We Are Ellis Island: Supporting a cause (and selling some dress shirts) via grassroots media**

Ellis Island, landing place for many thousands of US immigrants, is in need of funds for repair of some of its decaying buildings. And that good cause was the spark for shirt-maker Arrow in 2007 to fund and develop a social networking website called [WeAreEllisIsland.org](http://WeAreEllisIsland.org). The site features Ellis Island stories from a bunch of celebrities (whose ancestors came to the US and were processed at Ellis Island), and accepts stories, photos and videos from anyone.

The website isn't about selling shirts, but it no doubt does. It's an example of a growing trend of companies creating online communities for issues or causes, and slapping the corporate brand on them.





## Corporate social networking on the rise

(You could say that this is similar to when a corporation underwrites public TV or radio; it's a non-blattant form of advertising that supports the public good by collecting citizens' stories.)

I wouldn't call WeAreEllisIsland a social network, because it's weak on features that could hook up those contributors who have much in common. Soliciting stories from the crowd is great, but the site's designers also should have incorporated ways for the contributors to talk to each other more easily. The site is a good example of social or grassroots media, however.

*It's a non-blattant form of advertising that supports the public good by collecting citizens' stories.*





## Media join the social networking revolution

*When you've got an audience of people who are passionate about something, they can be enabled to participate -- not just be spoon-fed information.*



Media and news organizations have taken a while to adapt, but most have by now recognized the importance of opening up to reader interaction and reader-produced content.

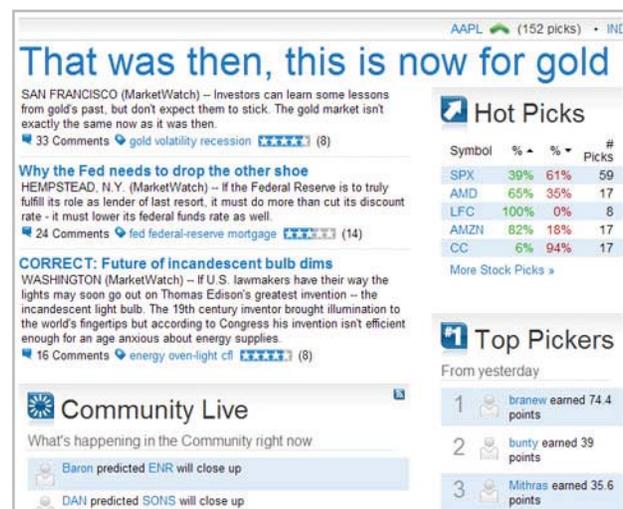
Within the news segment of media, what started out as toe-dipping -- opening up staff-written stories and other content to reader comments -- has expanded to more and more news operations truly embracing two-way, interactive media practices, abandoning the old we-know-best-and-tell-you model of journalism in favor of giving the audience the opportunity to share and publish what they know, interact with editors and reporters, and interact with each other.

Some media industry leaders are taking the next logical step and are experimenting with social networking, in order to truly take advantage of what social media has to offer. Here are a few examples:

### MarketWatch.com: Engaging financial enthusiasts

Dow Jones-owned Marketwatch.com in summer 2007 launched a social networking feature called Marketwatch Community. The website featured area lets users create profiles, share information on business and financial topics, and comment on stories. Users also are permitted to "tag" stories on the site, which are then added to a community "tag cloud" to depict what are the most popular stories on the site.

There's also a fantasy stock picks feature, and users can make predictions about particular stocks' value. Users who score best are listed and enjoy the acclaim.



**That was then, this is now for gold**

SAN FRANCISCO (MarketWatch) -- Investors can learn some lessons from gold's past, but don't expect them to stick. The gold market isn't exactly the same now as it was then.  
 33 Comments gold volatility recession (8)

**Why the Fed needs to drop the other shoe**

HEMPSTEAD, N.Y. (MarketWatch) -- If the Federal Reserve is to truly fulfill its role as lender of last resort, it must do more than cut its discount rate - it must lower its federal funds rate as well.  
 24 Comments fed federal-reserve mortgage (14)

**CORRECT: Future of incandescent bulb dims**

WASHINGTON (MarketWatch) -- If U.S. lawmakers have their way the lights may soon go out on Thomas Edison's greatest invention -- the incandescent light bulb. The 19th century inventor brought illumination to the world's fingertips but according to Congress his invention isn't efficient enough for an age anxious about energy supplies.  
 16 Comments energy oven-light cfl (8)

Symbol	%	%	#
SPX	39%	61%	50
AMD	65%	35%	17
LFC	100%	0%	8
AMZN	82%	18%	17
CC	6%	94%	17

**Community Live**

What's happening in the Community right now

- Baron predicted ENR will close up
- DAN predicted SONS will close up

**Hot Picks**

**Top Pickers**

From yesterday

- branew earned 74.4 points
- bunty earned 39 points
- Mithras earned 35.6 points



## Media join the social networking revolution

Marketwatch.com Community is an intriguing concept, demonstrating that when you've got an audience of people who are passionate about something (like stocks), they can be enabled to participate and communicate -- not just be spoon-fed information.

### Clear Channel: 'Turning on' radio listeners

Radio giant Clear Channel has made a commitment to social media by starting social networking sites for several of its stations in major US markets. The sites include basic social networking functionality, such as user profiles; letting users make new friends; allowing comments on content; posting photos and videos; blogging; and voting on content.

Clear Channel is envisioning the station social networks as a means for better connection between local radio personalities and members of the audience.

A powerful motivator to getting radio listeners to use and participate in the social networks is on-air announcements and promotions.

*Clear Channel is envisioning the station social networks as a means for better connection between radio personalities and members of the audience.*





## Media join the social networking revolution

*Since many college students lament the loss of Facebook as a social network exclusive to them, Playboy may have a chance.*

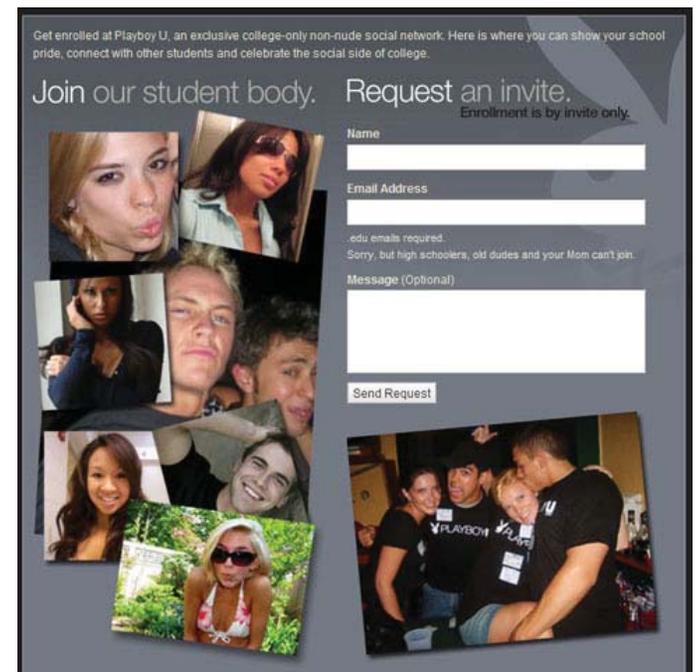


### Playboy: A social network for the college crowd

Venerable adult-content purveyor Playboy in summer 2007 launched a social network for college students, [Playboy U](#). The company describes it as “an exclusive college-only non-nude social network. Here is where you can show your school pride, connect with other students and celebrate the social side of college.”

Student profiles will have the usual social-networking fare: member bios, photos, videos, blogs and forums. As a twist, PlayboyU will have an affiliated national radio show with student callers.

Since Facebook is huge with the college crowd, it could be challenging for Playboy to make inroads. However, like Facebook in its early days, PlayboyU requires members to have .edu e-mail addresses. And since many college students lament the loss of Facebook as a social network exclusive to them, and the arrival of high schoolers and “old people,” Playboy may have a chance to capture a good chunk of the college crowd.



### Epicurious: Food website adds social networking features

Conde Nast's [Epicurious.com](#) has stepped up its interaction with users by adding more social networking functionality. The site, which is more than a decade old, has evolved over the years



## Media join the social networking revolution

*The magazine industry has barely begun to tap the potential of social media.*

to become more interactive and conversational with its users. A community area invites users to share recipes with other members; create a user profile; meet other site members with similar interests; chat in forums; and comment on recipes and blog items.

Get free access to My Epi's exclusive features for food lovers.



**Recipe Box:**  
Save our recipes to your personal Recipe Box, submit your own recipes, and share recipes with other My Epi Members



**Community:**  
Create your own profile, meet My Epi members with similar interests, and chat in our forums



**Rate & Review:**  
Tell us what you think about recipes, and post comments on our blog

While it may not be cutting edge in terms of taking advantage of social networking and grassroots media, Epicurious is ahead of most of the rest of the magazine industry when it comes to the social Web. It's an indication that publishers are beginning to realize that giving a voice to their "readers" is a smart thing -- especially for a publication and affiliated website that cater to passionate enthusiasts in a niche, like cooking and gourmet food.

Not only do such niche-magazine readers want to interact with each other and with editors and writers, they also have considerable expertise and passion to share with the online community. The magazine industry has barely begun to tap the potential of social media.

### Let's listen to the media wisdom of Rupert Murdoch

The media baron (and MySpace owner) had this to say about the social media trend:

Young people "don't want to rely on a God-like figure from above to tell them what's important. And to carry the religion analogy a bit further, they certainly don't want news presented as gospel. Instead, they want their news on demand, when it works for them. They want control over their media, instead of being controlled by it. They want to question, to probe, to offer a different angle."





## When corporations host social networking: Doing it ethically

*Woe is the company that screws this up. Treat your community and enthusiasts of your brand inappropriately, and your “bad” behavior will be amplified across the Web. Ouch.*



There are great benefits for a company to host an online community/social network. You are providing a place to bring people together to share common interests and find each other. You're giving them an avenue to converse with your company directly. All good stuff.

But woe is the company that screws this up. Treat your community of customers and enthusiasts of your brand inappropriately, and your “bad” behavior will be amplified across the web. Ouch.

Here are some recommendations for dealing with the members of the online community you've created in an ethical manner -- one that serves your best interests, and your audience's too.

### **1. Write the rules and stick to them**

Every website that invites public participation needs a well-thought-out terms of service, which everyone agrees to when they register to use the site. No spamming; no plagiarized content to be posted; no abusive behavior toward other members; no pornographic or offensive images posted; etc. These written rules tell your users what is and what is not acceptable behavior on your site.

Don't go making up new rules that aren't in your TOS just because you don't like something that someone's said. Don't be arbitrary. Such behavior will turn to bite you, as users complain and the negativity is amplified by Internet communication.

### **2. Accept that you won't like everything that's posted**

When you decide that your company will host an online social community and/or open your website up to user-generated content, you have to expect that sometimes things will be said -- and published on your web servers -- that you don't like. It's the nature of conversational mar-



## When corporations host social networking: Doing it ethically

*One of the worst things you can do as host to a social network or online community is selectively remove posts by users that are negative to your company.*



keting and conversational media. You can't control what your customers say; they're not your employees.

One of the worst things you can do as host to a social network or online community is selectively remove posts by website users that are negative to your company but don't cross the line of violating your terms of service rules. You won't get away with it. Someone will notice, and they'll gripe about it to the rest of the community. Word will seep outside, and news or your transgression will spread around online.

If you require so much control over your online presence that you can't stomach the occasional negative comment, then you're probably not ready for the transition to social networking and conversational marketing/media.

Your terms of service lays out the rules. Stick to them, but don't go beyond. ... Don't expect your website to be a rose garden with no thorns.

### **3. Don't obscure your identity or disguise yourself**

Especially for marketers who host a social network or online community, be upfront about your identity, and don't do obviously unethical stuff like pretend to be a member of the community and gush about your company or product. Some companies may be tempted to deploy "buzz marketers" to online social communities -- people inserted into the community who pretend to be normal consumers of a product or brand. Beyond such behavior being unethical, there's the obvious deterrent that those who deploy such questionable tactics can get caught. You don't want to take that chance in the online environment, where members of the audience can spread news of your transgression far and wide over the Internet.

Similarly, be open about who you are speaking for. Community hosts should acknowledge if they are employees of the company hosting the online community or social network, or if they are independent but being compensated by the company.



## When corporations host social networking: Doing it ethically

*It can be tempting for marketers to try to surreptitiously blend in to the community to get their message across. Don't. Be genuine.*

It can be tempting for marketers to try to surreptitiously blend in to the community to get their message across. After all, conventional marketing messages now have little credibility; most consumers trust their network (friends, online acquaintances, online consumer reviews) to help them make purchase decisions. Just don't. Be genuine.

### **4. It's good to have your people in the community**

With those ethics addressed, it is useful -- very useful -- to have your people take part in your hosted social network or online community. In the outdoor industry, for example, many companies sponsor athletes who use and promote their products. Often celebrities within their sports, they may have a sponsorship affiliation where the company pays them in cash and/or free or discounted product. Make sure that their affiliation with the company is disclosed.

### **5. Don't lift users' quotes for marketing without asking first**

A nice outcome of social networking by companies is that periodically a user will post a glowing review or good words (or maybe a cool photo) about a brand; others may pile on. Some of this stuff will make for great additions to your marketing materials. But wait a minute...

It could be a shock if a member of your community said something nice on your websites, then it ended up featured on an advertisement for your brand. Even though you may have the right to do so (depending on how your terms of service is written), the ethical and nice thing to do is to ask for permission.





## Social media success tidbits

What can a company or publisher that embarks on a strategy of becoming more “social” and open to open and public conversation with its customers expect to see happen when deploying social networking and grassroots media applications?

Here are a few examples excerpted from the Enthusiast Group’s online communities, and lessons we learned from operating them:

*Because they all had something in common, they developed online “friendships,” then used the site to set up in-person gatherings and parties.*

### Facilitating new relationships

One of the things we noticed on YourClimbing.com was that people who hung out on the site -- most of whom knew each other only online and hadn’t met in person -- began to hook up in real life. Because they all had something in common (passion for climbing), they developed online “friendships,” then used the site to set up in-person climbing gatherings and parties.



**YourClimbing.com members in Colorado Springs found each other online, then started climbing together. They even created their own t-shirts, and included the YourClimbing logo.**

An organization that hosts a successful online community can expect this. While there yet haven’t been any marriages among people who met on YourClimbing.com, we expect that will happen. Personal relationships formed will surely endear the individuals involved to the online community’s host.

### Enthusiasts share your brand

When you succeed at creating an online community where people engage and get hooked,





## Social media success tidbits

*I encourage you to use give-aways to hook people on your online community.*

they are likely to spread your brand around. On YourMTB.com, a mountain bike enthusiast who works as a police officer in Oregon put a YourMTB bumper sticker on his patrol SUV; an officer in Nebraska put a YourMTB sticker on his ticket-writing book.

An online community that generates a devoted following should benefit from such word-of-mouth promotion.

### **Giveaways work, and promote authentic consumer promotion**

We routinely give away prizes and goodies to members of our niche sport communities, and the companies that have supplied us with prizes have benefited nicely. I encourage you to use giveaways to hook people on your online community.

Here's an example. A YourClimbing.com member won an ad hoc contest and received a gift pack of Pixie Mate teas in a promotion with [Pixie Mate](#). The winner, "Universal Rythmn," wrote a 500-word, unsolicited review of the products.

*"Upon Winning the Most Motivating Thing You can say to a Person While Climbing competition I received the Pixie Mate Package. This Included four boxes of Pixie Mate tea's with 20 individual tea bags within, and two containers with Mate Latte concentrate. (Talk about hooking me up!)*

*"Mate Chai- When drinking the Mate Chai do not expect the regular Chai taste from Starbucks*



**'Official' recognition: YourMTB.com sticker on a squad car.**



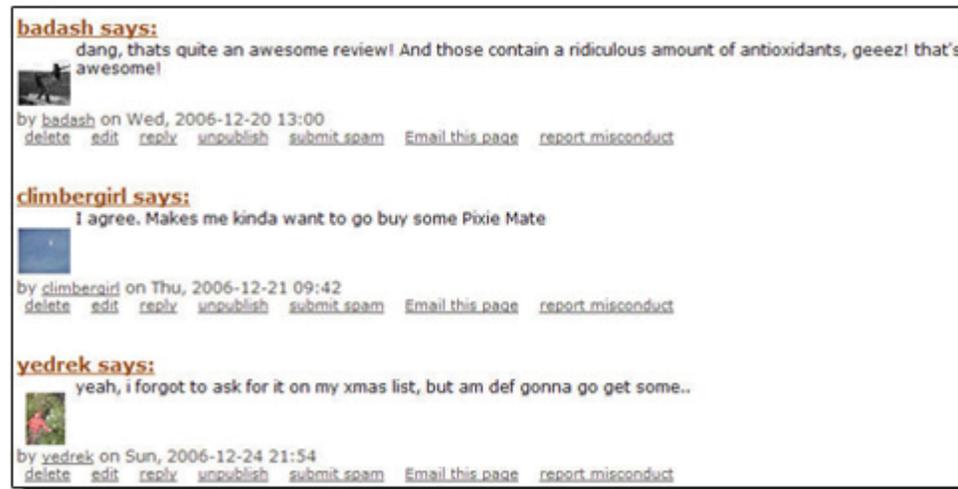


## Social media success tidbits

*or any other big name coffee place. This special Chai Mate combines the tastes of clove, ginger, cardamom, and black tea along with the organic Yerba Mate. It's like the brand name Chai Lattes stripped down to their natural flavors. I personally really liked the Mate Chai because I was expecting a more commercial flavor and received a more natural tea. Not to mention it has 2700 antioxidants per serving." ...*

Even better for Pixie Mate, several other YourClimbing members chimed in with glowing comments about the brand. (Yes, these are genuine; there was no prompting from us for any of this.)

*The site received not only text product reviews, but also photos and even a video review.*



## Enthusiasts like to review products -- in multimedia

As Amazon.com has so successfully demonstrated, consumers like to review products. And given simple tools to support alternatives to text, they'll even do so in multimedia format.

When YourMTB.com asked for reviews of Spenco cycling gloves, the site received not only text reviews, but also photos of people wearing their gloves, and even a video review.

The Spenco reviews -- of a new product recently released -- also demonstrated the value of





## Social media success tidbits

*Companies hosting online communities are well advised to get their spokespeople or affiliated celebrities involved and participating in the community.*



consumer feedback from an online audience. Reviewers said they liked the gloves, but most noted that small rubber logos affixed to two fingertips on each glove had a tendency to fall off after only a few uses. As this was a new product, the company got excellent advice from users for improving it.

### Celebrity spokespeople rock!

Many companies (especially those in the outdoor industry) have celebrity spokespeople, who make excellent online community participants and/or leaders. Community members respond positively to the chance to not just read about these people's adventures and lives, but to actually interact with them.

YourClimbing.com "enthusiast-in-chief" Katie Brown, a former world champion and climbing-world celebrity, routinely gets comments like this directed at her:

"The fact that this is KATIE BROWN'S website and she is actually a part of it. If you ask her a question you get a real honest answer. Katie may not think much of it but the bottom line is she is a PRO Climber, which in the climbing world makes her famous and basically a super star who still takes care of all of us still on belay so to speak."



tie in to the expert....

**Katie Brown**  
*Enthusiast-in-Chief*

Online communities run better and are more friendly places when someone is perceived as "in charge." Companies hosting online communities are well advised to get their spokespeople and sponsored athletes or other celebrities involved and participating in the community.



## 10 tips for your company to have a successful social media/marketing experience

*Figure out how to become “friends” with your customers. Friends talk to each other, over the long haul.*



- 1** Today’s consumer wants to express him/herself, but without you (the brand) dictating how. Resist the urge to control and let the consumer have freedom of expression, within the core rules you have set down.
- 2** Use social media and social networking as a way to listen to consumers. You’ll learn what they want, gain invaluable market intelligence, and be well equipped to improve your product or service -- or create new ones -- knowing exactly what the market wants.
- 3** Treat your relationships with consumers as long-term conversations. Don’t just devise short-term programs that open up the conversation for brief periods. Figure out how to become “friends” with your customers. Friends talk to each other, over the long haul.
- 4** Bring consumers into your inner circle. Product planning meetings no longer are limited to the ideas of your staff. Use social marketing techniques to identify core enthusiasts, then tap their ideas.
- 5** Find incentives to encourage participation. While website participation levels are high because technology now encourages active engagement, many consumers will merely sit back and view the content and interactions of others. But using incentives to get those people off the sidelines has distinct advantages to your company. You want greater numbers of *engaged* customers. They’re the ones who are most loyal to you, and will buy more.
- 6** Learn to view your customers in a different light. You used to treat them as “dumb” buyers or recipients of what you offered. But they’re smart. (Well, lots of them, anyway.) Recognizing that they have the power, now, to talk back and broadcast their opinions about your brand, you have no choice but to treat them differently -- more carefully, and with more respect than you may have in the past.
- 7** When things go wrong, don’t try to cover up; don’t make false excuses. Recognize that your audience now has the power to “out” your mistakes. Be open and honest, and own up to



## 10 tips for your company to have a successful social media/marketing experience

*Social online communities can benefit from leaders guiding the conversation and encouraging people to participate.*

mistakes. The alternative is to pretend that nothing is wrong, then have your audience or customer base turn on you -- using your own website (and the rest of the Internet) to spread the disdain. Don't try to spin bad news. You're not a politician!

**8** Participate intelligently in the online social community. **Bad:** Posting a press release about your new product. **Good:** Share pre-release news of an upcoming product and offer sneak previews to selected enthusiasts within your online community, asking them to be reviewers and offer feedback.

**9** What do your customers or brand enthusiasts care most about? That's what you want to create interactive, participative online communities around. What are your customers or your audience most passionate about? Passion is key to assembling online social communities. Your product or service serves that passion. The opportunity in social media/marketing is in serving it, too.

**10** Leverage your people as online community leaders. While social media is all about people talking to people (and people talking to brands), social online communities can benefit from leaders guiding the conversation and encouraging people to participate. So get people within and affiliated with your organization to join the conversation: company executives and employees, as well as company supporters (sponsored athletes, celebrity spokespeople, etc.). Your audience will especially appreciate the opportunity to engage personally with executives and celebrities.





## Some (social) definitions

*If you're intrigued by social networking and social media, it helps to understand the terminology of this new segment of media and marketing.*

**Citizen journalism.** (*aka, participatory journalism, people journalism, eyewitness journalism*) ... Refers to the act of citizens playing an active role in the process of reporting the news. It can take the form of non-professionals reporting and writing news stories, as well as eyewitnesses to news events sharing their experiences through text, photos and/or video.

**Conversational media.** ... This term is close to "grassroots media" and some people use it interchangeably with that. However, there's a subtle and important difference in meaning. Conversational media properties' content is in part the conversations that take place between content producers (which can be anybody) and those who comment or participate in the exchanges. People come to conversational media websites (e.g., YourClimbing.com) not only to contribute their own content and commentary, but to view the comments of others. So the content of a conversational media website is the conversation between members, in addition to other content published there.

**Conversational marketing.** ... Most marketers in 2007 (as this is written) are starting to understand that their efforts in the online environment should involve much more two-way communication between brand and consumer. That their companies need to start thinking of marketing as a bottom-up operation rather than a top-down one. (Think [Cluetrain Manifesto](#), the Internet marketing classic.) Conversations need to begin taking place online (publicly) between a company and its customers -- and between its customers -- which builds stronger relationships between company and consumer. Conversational marketing is a fairly broad term, but an example is a company that builds and hosts an online community that draws in people who share a common interest (in a sport, activity, product or brand), allowing members to interact with each other as well as with the brand.

**Grassroots media.** (*aka, citizen media, people media*) ... A term for any media form where the people who consume the media also produce content for it. It generally signifies that "profes-

*Most marketers are beginning to understand that their online efforts should involve much more two-way communication between brand and consumer.*





## Some (social) definitions

*Web 2.0 describes an online landscape of websites and services that facilitate communication at all levels.*

sional" status as a journalist or writer is not necessary for publication. "We are the media" best sums up the meaning of "grassroots media." Grassroots media operations may have professional editors reviewing submitted content, and/or augmenting it.

**Social media.** ... This term is a bit nebulous, but its essence is that it's a form of media where both provider/publisher and user/consumer get to talk and publish. In social media, the conversation between users is part of the content.

**Social network.** ... A service that focuses on building online social networks for communities of people who share interests or activities. Most social network services are websites, and offer various ways for people to interact: blogging, user comments, photo and video sharing, discussion forums, buddy lists, messaging, etc. Social networks include uber sites like Facebook and MySpace, which bring millions of disparate individuals together to find each other based on common interests, as well as niche sites that exist solely to bring together people with shared interests (e.g., [YourClimbing.com](http://YourClimbing.com)).

**User generated content.** (*aka, user created content, consumer created content*) ... This term is frequently used to indicate media content that is produced by everyday people, as opposed to traditional media (professional writers, editors, journalists, photographers, videographers, etc.).

**Web 2.0.** ... A popular term but also a vague one, Web 2.0 describes an online landscape of websites and services that facilitate communication at all levels. It's been described as reciprocity between the user and the provider -- that is, that an online user ("formerly known as 'the audience'") has an equal chance at expressing him/herself as the provider or publisher, because the latter provides tools for user interaction and communication. Put another way, in a Web 2.0 world, people can upload as well as download. The Web 2.0 online revolution is having and has had a profound effect on corporate communications and marketing, and on media properties across the board.





## Bibliography / related reading

*“Can consumers be producers? Yes. Can they be users? Yes. Can they be active participants, members of niche communities, or even critics capable of effectively mobilizing others? Yes, yes, and yes.”*

- David Armano, Business Week



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## RESOURCES

Presentation on conversational marketing - Tom Hespos, March. 2007  
<http://tinyurl.com/2znz89>

How to Crash the Consumer-Controlled Party and Not Get Thrown Out - North Venture Partners  
<http://tinyurl.com/2z74kr>



## Help me!

If you're considering a social media or social networking strategy -- or just want to learn more about the information presented in this white paper -- please feel free to contact us at the Enthusiast Group. The company provides a social media/marketing platform, called E++, that combines powerful website technology with online community management and social media and marketing consulting services. Let the Enthusiast Group devise a social media and/or marketing program for your company.

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