

COMMUNICATIONS, CAMPAIGNS AND SOCIAL MEDIA

HOW COMPANIES RESPOND TO CONSUMERS AND ACTIVISTS IN A CRISIS

July 2012
Ethical Corporation



About the report

This new report from Useful Social Media and Ethical Corporation provides entirely new data and analysis about how social media is being used by activists and NGOs to develop campaigns, and how companies can use the same tools to counter them.

Conceived, researched and written by independent experts, it includes entirely new data, drawn from exclusive surveys of the Ethical Corporation and Useful Social Media communities, detailed analysis of in depth interviews with campaigners, senior corporate executives and leading communications practitioners.

This report will help you to...

- ✓ **Be prepared** – you will receive detailed case studies of how companies have responded to social media trends, giving you the ‘do’s and don’ts’ for your company.
- ✓ **Gain insight** – in depth interviews with the leading campaigners – such as Greenpeace, 38 Degrees and MoxyVote – and blue chip corporates including Procter & Gamble, Gap and GE.
- ✓ **Build your company’s reputation** – with detailed insight from social media and corporate responsibility experts you’ll learn how to build a reputation that will enhance your credibility and trust in the industry.
- ✓ **Safeguard your share price** by discovering strategic communication methods that will help identify potential threats and avoid crises from escalating.
- ✓ **Discover how to respond if a crisis hits** – you’ll receive insight into the many different strategies that both companies and NGOs use when using social media
- ✓ **Create a strategy that works both now and in the future** – with detailed reflections on social media and how it affects corporations plus insight into the critical issues that lie ahead, you can create the strategy that works for you now and in the future
- ✓ **Save money and time** – this report has taken months and significant resources to research, meaning you don’t have to.



Expert peer review

This entire report was peer reviewed by Bill Tolany, head of promotional commerce at Whole Foods Market, who commented:

“This is a good report; definitely a solid and worthwhile piece of work. There is an impressive list of interviewees, and the authors provide broad ranging and relevant citations.”

Outline

This report is split into four key sections.

→ **Section 1: Introduction and context** analyses the arguments around the power of social media to harness genuine activism and galvanise change. Malcolm Gladwell of the New Yorker infamously argued that allegiances on social media were too weak and disaggregated to lead a revolution.

His thesis has since been countered by those who believe that social media radically empowers existing organisations to engage and inspire far more widely on their campaign agendas, and – in general – to give people a sense that they are not alone and that their individual voices can build and count.

→ **Section 2: Social media in action** examines the different ways in which campaigners use social media to draw attention to corporate behaviour and galvanise support around particular contentious issues and crises.

With in-depth case-studies on **Greenpeace's** campaign against **Nestlé's** sourcing of palm oil and the role of social media in the wake of **BP's** Deepwater Horizon catastrophe, this section spotlights some of the most popular campaigns and campaigners – Greenpeace, **38 Degrees**, **Hugh's Fish Fight**, **Kony 2012** and **MoxyVote**.

The section includes analysis of the ingredients that make such campaigns so virally compelling: from satirical web videos to online petitions, the mobilisation of clicktivists into mini-marketplaces, and the convening of small shareholders to have more sway in the boardroom.

→ **Section 3: The corporate response** looks at the challenges and lessons being learned by business. It identifies the particular demands and dynamics of social media, how it influences and cross-references traditional media and the need for businesses to see social media in context, rather than manage it in a silo.

There is analysis of how companies such as **Coca-Cola** are developing social media strategies, and how specialist research tools are helping businesses to map topics and sentiments and to anticipate potential hot-spots.

Critically, there is focus on the challenge of tone and the need for timely, empathetic dialogue to keep minds open and engaged on social media in times of confrontation. There is analysis of how **Toyota** turned a crisis around, and a detailed look at the importance of getting involved and engaged in online networks and conversations long before any crisis breaks.

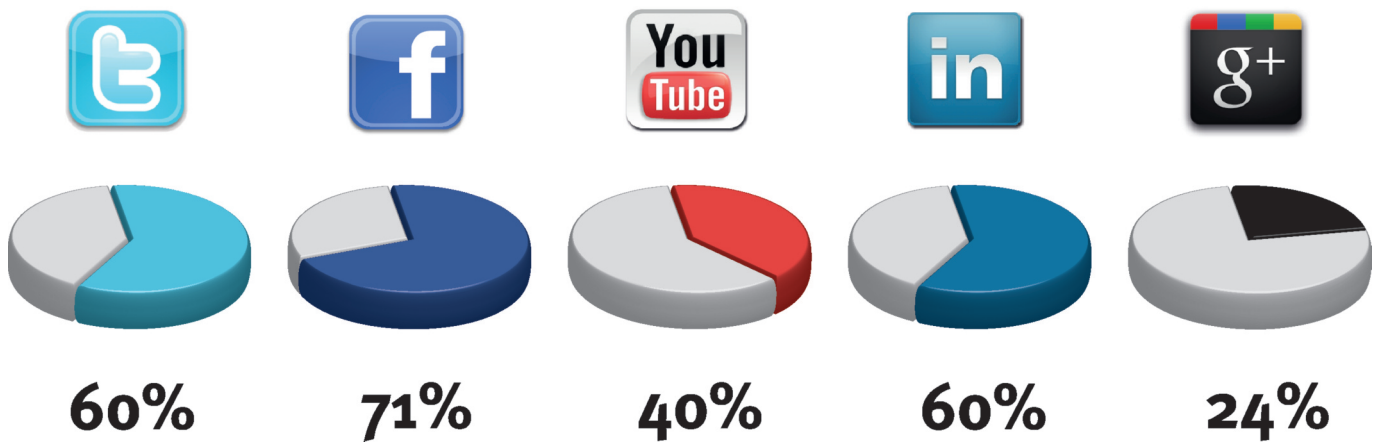
→ **Section 4: Conclusions and the future** provides a summary of the key findings in this report and also reflects on emerging trends and challenges for social media enterprises themselves, particularly as they face growing scrutiny and pressure around their own contentious issues, such as copyright infringement, privacy and their own approaches to corporate responsibility, sustainability and accountability.

A few of the report's key findings

This report includes an exclusive survey of the Ethical Corporation and Useful Social Media communities about their use of social media, their views on its effectiveness, and how they've been prepared for attack.

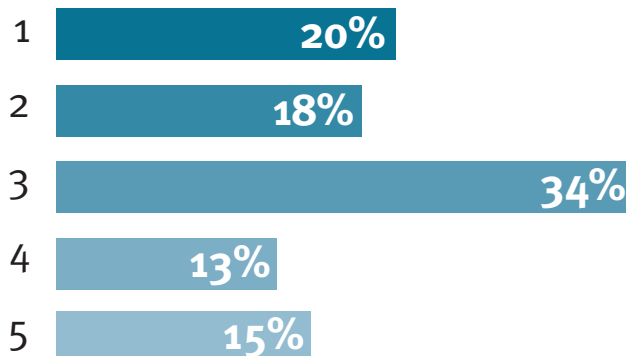
The most popular social media channels for the senior corporate responsibility professionals who responded to the survey are **Facebook** – used by **71%** of companies – followed by **Twitter** and **LinkedIn** – both used by **60%** of companies.

What social media channels does your company use?



The survey demonstrated how far some companies have prepared themselves for **attack** by social media campaigning. Of companies that had been subject to an attack, **20%** were completely unprepared, with **15%** fully engaged with the problem.

If your company has been subject to any social media criticism, however strong, how far do you think your company was prepared to cope with this campaign or negative comment?



[1 = completely unprepared; 5 = fully engaged with the problem]

How to engage, and what to share

The challenge for a company then is how to engage in a way that keeps opinions open – this is as much about *how* the company interacts as the content of what it has to share. Too much confrontation and the wrong tone will risk confirming negative opinions and closing down the possibility of dialogue and open minds. Transparency and involvement in conversation achieves the opposite.

Overall, it's not that social media fundamentally changes the practical nature of crises or issues management, but that it does add another viscerally demanding and interactive dimension that can't be treated as a bolt-on, but needs its own careful consideration, management and engagement – as part of everything else.

All the traditional crisis management bases obviously still need to be covered in terms of establishing the facts on the ground and managing them operationally while, in parallel, making information available to concerned stakeholders and third parties on how problems will be resolved as rapidly and effectively as possible.

Gary Sheffer, GE's vice-president of corporate communications reinforces this point about how social media is changing stakeholder relationships and particularly how to communicate with them. He says: "It's gone from command and control to more of a discussion with your stakeholders, both internally and externally, and social media has driven that change. You don't own your brand exclusively anymore – it's also owned by the folks on the internet who are talking about you every day. Every three seconds we see something posted online about GE – not all of it good – and so if you're not out there engaging with people in discussion authentically, you're losing out."

Authenticity is vital, argues Southwest Airlines' Linda Rutherford, and companies should be careful how they engage and via what channel. "You need to understand what your company stands for. Just because there are Facebook, Twitter or any of the other ways to engage socially, it doesn't mean they are a good fit for your company. You need to be authentic and ask the question: can we have a credible voice in this space..."

...for further insight and analysis, get your copy of this report at www.ethicalcorp.com/smcc/purchase."



More key findings

This brand new report analysed the dynamics of social media. The expert writers identified five key elements that are discernible in many campaigns.

- **Look at this!** – Social media can be used by **NGOs** and **campaigners** as a way to alert people to what a company may be doing in order to build **awareness, outrage** and **support** for the campaigner's concerns or agenda.
- **Sign-up!** – Campaigners may then go on to use the interest they've generated via social networks to get people to indicate their support for a cause by signing-up to an online petition, or by indicating whether they "**like**" or "**dislike**" an initiative.
- **Do something!** – The numbers of signatures on a petition and measures of like or dislike provide a measure of the **reach** and **popularity** of a campaign.
- **Change policy (change the world)!** – Petitions and evidence of support that demonstrate a volume of interest can be used offline to **influence** policy-makers or **challenge** regulation.
- **Follow the money!** – Specialist social networks are also growing up focused particularly on **investor** activists and are playing a growing role in convening and **empowering** the voting rights of small retail shareholders to influence corporate decisions.

And, the most effective campaigns tend to use several of the above elements....

For further insight and analysis,
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What people are saying...

...about other Ethical Corporation and Useful Social Media research

“I’ve found in this report useful concepts, ideas and practical examples that definitely help to improve the way in which we embed CSR across the company.”

– Sergio Herrera, director, **Responsibilidad Social**

“Insightful and packed with big brand insight... shines a light on current discussions around social media ROI and measurement.”

– Becky Carroll, author, **The Hidden Power of Your Customers**

“Our expectations of the report were exceeded by its focused content and relevance to the issues we were facing.”

– Dr Kevin R Gordon, chief research officer, **Xyntéo Ltd**

“This report is a very useful overview of the complex world of international emissions inventories and verification. The document gives a sample of who across the globe is trying to document their emissions and the detail and method they are using. Bearing in mind the pace that carbon markets and legislation is moving, this document has helped to define what current good practice is enabling us to develop processes to exceed it.”

– Oliver King, sustainable development group, **Faber Maunsell**

Gives insight into how organisations can calculate financial impact metrics – and explain why measurement is important to every organisation.”

– Michael Brito, senior vice-president, **Edelman Digital**

“We have been reading the Ethical Corporation report on Corporate GHG Emissions reporting and found it very thorough and useful.”

– Johana Dunlop, head of global citizenship, **Schlumberger**

“This report is a great starting point to understand the different tools available for measuring socio-economic impact, drawing from the business and development world, with actionable examples of how these have been used or could be used by companies in future.”

– Kate Lloyd-Williams, director, **Change For Tomorrow Ltd**

About us



Ethical Corporation

Ethical Corporation is an **independent business intelligence company**. We provide objective analysis in our reports, news, events and updates for the corporate sustainability.

Through a monthly magazine, website and conferences, **our aim** is to act as an impartial voice, provide industry data, and carry critical analysis of current best practices.

Our practical reports aim to provide **critical independent analysis**, purvey necessary **industry data**, and carry out **in-depth, real life case studies** – all in an easy-to-read format.

Sign-up online to receive more information, electronic updates, discounts and exclusive findings at: **www.ethicalcorp.com**.

Useful Social Media

Useful Social Media was set up in the December of 2009. We produce business intelligence products designed to **help big companies understand how they can leverage social media** for better marketing and business strategy.

Our focus is **bringing together corporate practitioners to share best practice with each other**. We're fully independent, and our conferences, reports and other analysis is characterised by our 100% corporate focus. Our aim is to become the **centre of a community of corporate practitioners**, independent, relevant, and insightful.



We run conferences in the US and the UK on different aspects of how marketers and communicators can leverage social for better business performance. We also write in-depth research reports, long-form management briefings, and analysis and opinion pieces – all accessible from our news website – **www.usefulsocialmedia.com**.



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