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Vice President,
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ABOUT THE BOOK

Get Bold offers a systematic approach to creating and implementing an effective and successful Social Business strategy that moves your company beyond just looking at social media to realizing tangible business results. The author has worked with thousands of clients in more than 60 countries to create an "AGENDA" that can boldly take your business forward:

- ! *Attract and engage customers with exceptional brand experiences and personalized interactions across touch points*
- ! *Achieve targeted savings and increased revenue*
- ! *Improve customer insight*
- ! *Outpace your competition and accelerate growth*

Sandy Carter provides lessons on doing it both right and wrong so you gain valuable perspective on techniques using the most critical communication vehicles in social networking. She also provides a shortcut on how to get started, patterning on successes in various companies and more than 50 case studies.

ABOUT THE AUTHOR



Sandy Carter is Vice President, Social Business Evangelism, where she is responsible for setting the direction for IBM's Social Business initiative, working with companies who are becoming Social Businesses, and being the evangelist for the concept and best practices around Social Business.

Sandy's Blog: <http://socialmediasandy.wordpress.com>  

OTHER BOOKS FROM SANDY CARTER

The New Language of Business: SOA & Web 2.0 (ISBN: 9780131956544), which won the Platinum MarCom Award in 2008, and *The New Language of Marketing 2.0* (ISBN: 9780137142491), which won the Silver MarketingSherpa award in 2009.

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Get Bold

*Using Social Media to Create a
New Type of Social Business*

SANDY CARTER

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Foreword

As we entered the twenty-first century, the business world found itself facing significant change. The introduction of the Internet had ushered in a new era of opportunity and productivity—in fact, the magnitude of this shift was not unlike the changes that spurred the Industrial Revolution a century earlier. And while the Industrial Revolution was bringing big change to business—like unprecedented gains in manufacturing capability, new factory technology, and automation—it was having a similar impact on society, bringing prosperity to an emerging middle class in developing nations such as the United States. The “Information Revolution” of the twenty-first century is also bringing a new middle class forward, this time in places such as China and India. However, this time around, it’s enabling work to move seamlessly around the globe, integrating people, processes, and content in new ways. The technologies of the Internet have fundamentally changed how business works and the speed at which it operates.

This wasn’t completely clear in the late 90s, however, when many businesses were struggling with the confusion of the dot.com boom (and bust). What would the lasting effects of the Internet be? It was obviously on the scene for good, but by then we’d already seen that by itself it wasn’t necessarily a guarantee of business success. Companies created Web sites just for the sake of getting on the Web, when they needed to question how the new technology could make their businesses more efficient, without destroying them. How would intellectual property be contained, and would employees spend their days surfing the ‘Net? In many cases, the Internet-led business transformation ended up remaking many industries—such as publishing and advertising, to name a couple.

Today, we’ve seen the Internet evolve from a vehicle for simple content publishing, to a platform for commerce, to a way to connect

people, and now finally to an “Internet of things” as mobile devices, electronics, and even appliances become connected to the Web. The concept of researching information and buying goods and services over the Web has now become second nature. In a relatively short period of time, the rise of social media has evolved from a way to share music and files to a fundamentally new way for people to interact with one another. Recent events have shown the power of the technology to play a key role in fundamentally remaking entire governments, thus changing the course of history. So once again, the Internet has issued business with a new challenge. As with the confusion we faced a decade ago, we need to understand how to harness these technologies to become more efficient, transforming both our business processes and our mind set.

Social networking has the potential to unlock the intellectual capital within organizations, to connect experts and expertise, and to pave the way for unprecedented innovation. For example, organizations that have tapped into the power of social tools are able to link their developers or researchers, no matter where they’re located, to enable collaborative development that spans the boundaries of geographic borders or time zones. Developers then have the ability to easily exchange ideas and share input, sparking new innovation and allowing development to happen at a faster pace—speeding time to market.

Beyond facilitating collaboration, applying “social” technologies to business processes has the potential to radically improve the way organizations operate. For example, social tools enable human resource teams to identify and catalogue talent and expertise, linking people with the right skills with the right opportunities, when and where they’re needed. Plus, HR teams could tap into these social networks to “sense” employee morale or target potential climate problems, proactively responding before issues escalate. This fundamentally changes the way the function works within an organization.

It also reveals the untapped power of the “data” generated by these connections. Organizations are no strangers to data; it’s exploding at an incredible pace. And 80% of this data is unstructured—like the data from social networks, which could take the form of a conversation among customers on a message board. This represents a daunting challenge for any organization trying to learn from it or use it to make decisions. Fortunately, new types of analytics engines are helping companies to make sense of this data, unlocking an invaluable asset. By “instrumenting” the social networks inside and outside of your organization, interconnecting the key data they create, and applying analytics, you’re able to gain insight into things such as the general attitude toward your brand and customer preferences, and even gain headlights into their buying behaviors. And using this insight, you can make more intelligent business decisions.

Sandy Carter explores these issues in the following chapters, discussing what it means to truly take advantage of these new technologies to improve the way your business runs. As the Vice President of Social Business and Collaboration Solutions Sales and Evangelism, Sandy has studied this issue very closely for IBM—but more than that, she represents a great, first-hand example of how social technology can be applied in a business setting. Embracing social tools very early on, she is now one of the top bloggers at IBM, as well as one of the most followed people on Twitter. In this book, she shares some best practices so that you and your company can truly take advantage of the monumental opportunity that’s at stake.

Social technologies are already causing big changes in business, and companies are already seeing results. This book is a compelling and comprehensive look at the steps you can take to ensure you don’t miss out.

—**Mike Rhodin**, SR Vice President, IBM SWG Solutions

CHAPTER

1

The AGENDA for Social Business Success

“It is imperative that you have a bold agenda to engage your clients, your partners and your employees. The Social Business AGENDA is the connection to outperforming in the marketplace.”

Sandy Carter

“What used to be cigarette breaks could turn into ‘social media breaks’ as long as there is a clear signal and IT isn’t looking.”

David Armano,
author of
Logic+Emotion blog

I am a Vice President at IBM, mom, wife, and a Social Business evangelist. Since the early 2000s, I've been using social networking, social media, social software, or whatever you prefer to call it. What's powerful about the concepts of micro-blogging, wikis, video sharing, video chats, networks, communities, and more is that I get value just by reading and viewing. I consume far more social media than I contribute. My personal network of friends and family has allowed me to stay connected no matter where in the world I am. My professional network of colleagues, partners, and customers has led me to new career opportunities and new friends that I otherwise would never have encountered.

In 2005, I decided to transition from a viewer to a contributor as I saw a new channel to share my ideas and solicit open and anonymous feedback from my trusted network and followers. I wasn't sure at the time what type of effect this would have on me or my employer—IBM. In 2005, I was the Vice President of IBM's largest software brand when I decided to become an avid blogger and power user of social media. Since then, I have been amazed by the progress over the past few years with the rapid growth of social technology. Social media has overtaken the world. In his 2005 book, author Thomas Friedman talked about the world being flat. I would like to add that the world is now flat and connected.

While this book focuses on the value of becoming a Social Business, I don't want to downplay the importance that social technology has played in my personal life. Social media has become a way of life throughout the world. With more than 500 million people on Facebook, and 200 million blogs being updated daily, the power of numbers and of experience has taken over the world. It is growing faster than anything we have seen in the past. Grandparents are talking to their grandchildren, leveraging social media just as clients are impacting companies' products using the same tools. According to Oxygen Media and Lightspeed Research, women are becoming

more and more dependent on social media and check Facebook when they first wake up, even before they get to the bathroom!

A majority of the social concepts that I will be writing about were born from early pioneers in the consumer space. These innovative pioneers opened my eyes to the power of connecting with friends and family. They also opened the door for large and small companies to leverage these social technologies—in essence, becoming a Social Business.

A Social Business is a business that embeds “social” in all of its processes, connecting people to people, people to information, and data to insight. It is a company that engages its employees and clients in a two-way dialogue with social tools, is transparent in sharing its expertise beyond its four walls, and is nimble in its use of insight to change on a dime. It is different from Social Media, in that Social Media primarily addresses or focuses on marketing and public relations. (That’s where the media comes from.)

Inside each of us is a desire to be social and in return feel connected to other people. With the Internet came the ability to connect computers to computers and computers to networks. Email came along and replaced the need to send around office memos. Instant messaging then emerged with a faster and precious way to communicate in near real time, further reducing the office memo and, in some fashion, reducing email. Neither of these technologies provided that social contact that people seek (albeit instant messaging emoticons did help).

With the 21st century upon us, where everyone is so dispersed from their family, friends, suppliers, partners, and influencers, the Internet has reconnected us, satisfying that social desire. Social media is now connecting people with people and people with information. New collaboration technologies that are focused on simplicity and ease of use have led to a platform to share more than just words, but frame

those words around your persona alongside videos, photos, your interests, and what's on your mind. My persona is not just that of an IBM Vice President, but also that of a mother and wife. In some cases, this new wave of disruptive technology replaced the "real-world" connectedness with a virtual one.

This connectedness reemphasizes that people are at the heart and soul of every business and relationship. As Jeffrey Gitomer, author of *Social Boom* and *The Little Red Book of Selling*, wrote,

"All things being equal, people want to do business with their friends. All things being not so equal, people STILL want to do business with their friends."

Social Media has redefined and opened up the aperture on what a friend is, what role an employee plays in a company, how open processes are to clients, and how fast you can move. These definitions are changing just as fast as new technology is being created. When Facebook or the iPod launched, its creators didn't imagine creating an application ecosystem that would see hundreds of individual developers turn into millionaires. It's technologies like these where new markets are being created and defined every day.

Now, a new transformation has come, as big as when the Internet took over the market imagination. Social Business leverages all the social tools and techniques of Social Media, but expands the usage and efficiencies beyond "media and marketing" to all of a company's processes, both internal (such as human resources and talent management) and external (such as customer service, supply chain, product development, marketing, communications, and more). Just as in the Internet era, when many companies proclaimed that the tools were only for use by kids and universities, we are seeing a repeat of history. Some company leaders think social is just for kids and universities; however, we know better. We at IBM have lived Social as a Business and know its power.

As a Social Business, you can outperform your competitors. Businesses are evolving and differentiating themselves internally and externally by going back to the future. In other words, they are focusing on relationships with their clients, partners, citizens, and employees by engaging new technologies and platforms that powerfully and easily connect them in trusted and experiential ways.

I have had the pleasure traveling to more than 60 countries around the world. The most common question I get from the customers, partners, and governments (and some of my IBM peers) is this:

“How can I become a Social Business, and what is the value that it will bring to me, my department, and my company?”

My response:

“At its core, a Social Business is a company that is engaged, transparent, and nimble. A Social Business is one that understands how to embrace social technology, use it, get value from it, and manage the risk around it. A Social Business embeds social tools in all its processes, and for both employees and clients—the entire ecosystem. In my experience, a leadership company explores the social techniques that really matter to its business with a systematic approach, by creating a bold, unique Social Business AGENDA.”

These three characteristics—engaged, transparent, and nimble—showcase the value of applying social tools beyond just your marketing process into the business processes that drive your company’s competitiveness. What do they mean?

- **Engaged:** A Social Business connects people to expertise. It connects individuals—whether customers, partners, or employees—as networks of people to generate new sources of innovation, foster creativity, and establish greater reach

and exposure to new business opportunities. It establishes a foundational level of trust across these business networks and thus a willingness to openly share information, developing a deeper sense of loyalty among customers and employees. It empowers these networks with the collaborative, gaming, and analytical tools needed to engage each other and creatively solve business challenges.

- **Transparent:** A Social Business is always learning and therefore believes that there should be no boundaries between experts inside the company and experts in the marketplace. It embraces the tools and leadership models that support capturing knowledge and insight from many sources, allowing it to quickly sense changes in customer mood, employee sentiment, or process efficiencies. It utilizes analytics and social connections inside and outside the company to solve business problems and capture new business opportunities.
- **Nimble:** A Social Business leverages these social networks to speed up business, gaining real-time insight to make quicker and better decisions. It gets information to customers and partners in new ways—faster. Supported by ubiquitous access on mobile devices, new ways of connecting and working together, a Social Business turns time and location from constraints into advantages. Business is free to occur when and where it delivers the greatest value, allowing the organization to adapt quickly to the changing marketplace.

The Social Business AGENDA provides a consultative framework across horizontal roles and vertical industries to help individuals and companies understand how they can become a Social Business. Over the past couple of years, my team has been working with customers on developing strategies around techniques to help them optimize their workforce and better communicate with customers and

partners through the use of social technologies. The Social Business AGENDA reduces the complexity of becoming a Social Business by narrowing the scope into six workstreams as illustrated in Figure 1.1.

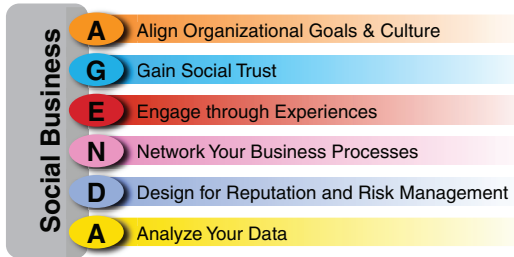


Figure 1.1 The bold Social Business AGENDA

Not every customer will need a strategy across all the six workstreams; however, my team has seen our best results when all six are completed, creating a 360-degree view of the Social Business strategy. My principal approach is to leverage best practices across industries and roles to effectively steer companies and governments down the right workstream(s) to maximize the value they can achieve by becoming a Social Business. Within each workstream, there are five questions to drive the overall outcome:

1. **Value Alignment:** What could or should we do with a Social Business solution?
2. **Role Mapping:** How will different roles use Social Business in their job?
3. **Vision Setting:** What does the Social Business experience look like for us?
4. **Business Case/ROI:** How can we financially justify our Social Business solution?
5. **Solution Review:** Can you show some part of the solution in my environment?

Through the use of the AGENDA framework depicted in Figure 1.1, we will answer these questions and more.

The sections that follow take a closer look at the six workstreams that make up the Social Business AGENDA while the book itself will guide you through the creation of your own Social Business AGENDA customized for your company.

Align Organizational Goals and Culture

This workstream is focused on uncovering organizational and departmental goals to understand what organizational transformation might be required to become a Social Business. Employees play an important role in the Social Business. Just ask Jon Iwata, IBM Vice President of Marketing, who unleashed IBM's employees into the blogosphere (the Internet with all its blogs, microblogs such as Twitter, and interconnected communities such as Facebook, LinkedIn, and more) with a positive impact on the IBM brand. Social capital is the connectedness of relationships people have with others, companies, and societies and the benefits these relationships bring to the individual. Employees represent who your brand is to the world and that connectedness. While at the Yale Club, Iwata said,

“One day soon, every employee, every retiree, every customer, every business partner, every investor, and every neighbor associated with every company will be able to share an opinion about that company with everyone in the world, based on firsthand experience. The only way we can be comfortable in that world is if every employee of the company is truly grounded in what their company values and stands for. This may sound to some like external and internal messaging coming together—employee as brand ambassador.”

Those relationships become connections embedded into the fabric of your or your company's culture. As Karie Willyerd and Jeanne C. Meister wrote on www.HarvardBusiness.org:

“More companies are discovering that an über-connected workplace is not just about implementing a new set of tools—it is also about embracing a cultural shift to create an open environment where employees are encouraged to share, innovate, and collaborate virtually.”

I've always thought of myself as an unselfish person who likes to share my knowledge in findings. On a trip to California to be inducted into the Women in Technology International Hall of Fame, my family and I traveled the weekend before to visit the area. While planning for the visit, I had found a great deal on a hotel that I had always wanted to stay in and passed on the tip to my best friend who was joining us.

After a wonderful weekend at a hotel that exceeded my dreams, we went to check out and noticed a discrepancy on room rates. My friend received the quote on the room as the offer that had been presented; however, for my stay, the rate was double. I approached the woman at the front desk but she had no “authority” to change the rate. I asked for her manager but was told that unless noted in the computer, the rate would remain. The woman at the front desk offered me the option of filing a complaint at a computer they had set up a little bit away from the other guests trying to check out.

I was not a happy customer and wanted to vent. On my iPhone, I use an app called Foursquare, a location-based tool that enables you to let your friends know where you are and post tips on that place. I decided to check-in my location on Foursquare, placed a tip for the hotel that read, “Always get your quote in writing!” and connected with thousands of people. Moments later, a young woman came out of the back office and said to me, “We will adjust your rate if you quit

providing information about us in a ‘negative tone’ on Foursquare.” I took the discount on the room and took my family out for a nice dinner.

The old complaint box outside the lobby had now been replaced with social means. I don’t need to have permission or be told where to place my comments. I have the freedom to enter a comment in real time with millions of readers worldwide viewing my experiences—both positive and negative. The power shift from process to people had begun as the onsite management team handled a situation that truly would have been bumped up to corporate in the past. If this company’s organizational culture had picked up on this change, the hotel manager’s passion could have scaled throughout the corporation. A company with no interest or guidelines for social technique usage will be antiquated.

The learning experience for this hotel and hotel chain is the value that social tools can provide for customer satisfaction and customer service. There is also an element of corporate culture that needs to be reviewed to understand the appropriate process and guidelines. While the receptionist’s company didn’t have a Social Business strategy or policy for this particular hotel, she as the employee had started to monitor what guests were saying about their brand and had just logged in to Foursquare when I placed my post.

Whether you choose to embrace Social Business techniques or restrict them, the worst thing you can do is not have a policy in place to protect your company and the individuals who work for the company. IBM first introduced a social media guideline in 2005 that informs employees what is expected if they choose to participate in social media inside and outside the firewall. I have an internal blog accessible only to my IBM colleagues, but also have an external blog open to everyone. The IBM guidelines define what is appropriate content and where it should be posted.

The NetProspex Social Business Report showed that more than two million contact records of people are within the largest companies in the nation. It reported confirmation that marketing decision makers had the heaviest use of social media. Interestingly, it presented human resources professionals ranking second for social network usage. Meanwhile, CEOs were number 11 on the list, outpaced by office managers and customer service reps.

For Social Business to take off, the top of the organization will need to understand its value and enable the employees to play the role of brand ambassadors. The corporate culture is defined at the top of the hierarchy and executed at the bottom. For instance, one of my friends confided in me that his manager thought he was “goofing off” because he was watching YouTube videos on cloud computing and “looking for a job” because he was on LinkedIn. Overcoming those perceptions is a huge part of becoming a Social Business and changing the culture.

In order to successfully become a Social Business, a Governance Model must be formed that fits your goals and your culture. This Social Business Governance Model is about establishing decision rights within a framework, and monitoring those decisions and their impact. Our experience working with many clients to implement the Social Business AGENDA has found that a critical success factor for success is a right-sized Governance approach. Because this could be a cultural or organizational change, it requires understanding and managing the risks.

Gain Trust

This workstream is focused on reviewing existing networks both inside and outside your organization and understanding how you can better utilize them, expand them, and create new connections.

Companies across the world are leveraging social techniques to grow their businesses by selling to their “friends,” and friendship, as we know, requires the deepest of trust.

A study conducted by Burson-Marsteller, a global leading firm focused on digital reputation management, and marketing, found that 79% of the companies on the Fortune 500 use Twitter, Facebook, YouTube, or corporate blogs to communicate with customers and other stakeholders. Eighty percent of companies are using LinkedIn as a primary tool to identify and recruit employees. It’s clear we are now in the midst of a revolution. People are using these connections as a primary means of communication, in many cases replacing other more traditional interactions.

Think about the implications of this story. In preparation for a business trip to India, I tweeted about my excitement and energy to spend some time in India as I’ve seen it grow as an emerging and innovative country. I have visited India before, meeting with customers and being the keynote speaker at industry leading events. I arrived in India after a long flight and nightmare experience in baggage claim. The hotel seemed like a reprise and all thoughts were focused on collapsing into sleep.

When I arrived at the hotel around 11 p.m., the hotel general manager told me that he had put the “group” waiting for me in a conference room, because it had become too large for the lobby. I was not expecting any group and made sure I told the IBMers from the region to greet me in the morning as to not take them away from their families so late at night. After completing the check-in process, I turned to the conference room where the hotel had directed me, not realizing that my “tweet” had become a connection point.

Here in Mumbai, thousands of miles away from my home in the United States, was a group of people who knew me only by my blogs, LinkedIn groups, and tweets. They trusted my expertise and were

anxiously waiting to greet and talk to me about Social Business. Through that one tweet, some of the most dedicated followers in India had determined which conference I was speaking at, and therefore at which hotel I would be staying. They had also determined the flight by asking the front desk for the “expected time of arrival,” so they gathered and hoped for some time with me, which I gladly gave to my new “friends.”

I was amazed that this tweet had truly been heard across the world, and trusted by thousands of people. My connectedness had engaged this group. While social media’s growth in India will be largely dependent on the penetration of broadband, this “group” was proof that the global connectedness had extended to the Indian people from one person to another and one business to another.

This experience is like one of many that I have had while traveling to more than 60 countries. What is often overlooked in my story is that while I am gaining “friends” through social trust, so is my company. Remember that my social persona is a mom, a wife, a Vice President at IBM, and a social media evangelist. In India, my “friends” did not meet me at my hotel because of my personal life; they came to meet me because of my professional life and respect they have for the work I do on behalf of IBM. As a Vice President at IBM and Social Business evangelist, I represent not only myself, but also IBM. Thus, when colleagues, customers, partners, and peers come to greet me on a business trip, they are also acknowledging, respecting, and building trust with the company I represent.

Engage Through Experiences

This workstream is focused on helping you understand how to engage through the three I’s of exceptional experiences. The engagement is created by exceptional experiences that are integrated, interactive,

and identifying. Providing an *integrated* cockpit provides a single view across the channels for a Social Business. Being *interactive* is the heart of engagement. In today's world, you must allow an experience to be playful and the client to be part of it. That's one reason gaming techniques are used by all of the Fortune 500 companies today. Giving a sense of purpose is one of the ways to create the level of emotional response that creates engagement. *Identifying* is all about personalization. It revolves around making the experience special to me and may include location-based services and portable reputation.

Today is about the “conversation,” but in reality it is about taking that socially trusted conversation to a new engagement level. To really engage an audience requires a Social Business to leverage exceptional experiences that the new generation has come to expect. A Social Business requires both exceptional work experiences for its employees and exceptional customer experiences for its clients and partners.

With your employee workforce, creating these exceptional work experiences often requires easy-to-use integrated solutions aimed at helping them get their work done faster, and their voices heard more loudly! The exceptional customer experience will focus on attracting and retaining customers, partners, and/or citizens by providing a personalized and interactive experience from a browser or mobile device—reinventing relationships.

Take Apple as an example. I heard an IBMer comment on Apple's style: “They don't just advertise, they teach. They don't just sell; they create learning experiences in their stores.” Apple wants you to learn everything their product can do, so then you will teach others. In the process, Apple recruits new and loyal customers who become advocates and evangelists through interactive experience. For instance, online gaming (the average age of a gamer is 35!) has great focus on random rewards, teachable moments, and leader

boards that engages and identifies the person through the focused experience. Experience will be king (and queen) in the coming years.

Take, for instance, this engagement through a fabulous experience. Costa Rica has a tradition that has spanned hundreds of years. Since 1781, the people of Costa Rica have participated in a pilgrimage. In fact, half the country, almost two million people, walk the Annual Pilgrimage to Cartago. Due to the H1N1 outbreak, the pilgrimage was canceled in 2009. Many people, like Radio Files, didn't want the country's tradition broken. The town leveraged social media to create a "virtual pilgrimage" by allowing people across the country (and world) to create a virtual image of themselves with their own picture and "shoes" selected from the site. They gave back to the country the ability of the people to walk, confess, and socialize along their journey. More than 300,000 people took the virtual walk with Catholic blogs writing favorably about the nation's will to continue through a tragedy, leveraging social techniques as an alternative.

As I describe engagement, it's important to emphasize that this is more than just connecting. People are motivated by creating passion, emotion, and "happiness." Joshua Porter, author of *Designing for the Social Web*, was an early thought leader who described moving people from being simple "consumers" to becoming "passionate" participants through exceptional experiences. That's the goal of a Social Business.

(Social) Network Your Business Processes

This workstream is focused on reviewing existing business processes to determine how social techniques can streamline certain processes, open certain process for reuse, redesign inefficient processes, and provide a better collaborative experience inside of certain processes.

This means interacting with your customers, clients, and employees by integrating social tools into your processes.

When I refer to “processes,” I’m talking about more than just marketing processes here. At IBM, we have socially enabled our HR processes. Most IBM employees would pitch a fit if we tried to take away their access to w3.ibm.com. W3 is our intranet filled with communities of subject matter experts. It’s been a central element in our social transformation. With three out of four of our employees firing it up every day, it unites us. We wouldn’t be socially enabling our HR processes if it didn’t increase our employee retention rate and increase their overall job satisfaction. To share just one statistic: Every 1% improvement in top contributor retention in our software division saves over \$50 million.

As a Social Business, IBM believes in leveraging Social Business in enabling our employees to become public subject matter experts. IBM was one of the first companies to have its bloggers develop Social Computing Guidelines for the whole company. Our employees have become active brand ambassadors.

Furthermore, we socially enabled our product development. Many of you have participated in an IBM Jam. If you haven’t, you should. The energy, the creativity, and the volume of input from people with different experiences and different roles enable us to produce award-winning products. In the process, ideas get shaped, formed, and tested for viability. The end result is products that you’ve asked for and that meet your needs. Some of you might follow the blogs of some of our developers. That’s just a hint of the productive product development ferment that goes on inside IBM. The speed of our engineers is dramatically accelerated by their ability to build with code and components built by their colleagues.

IBM isn’t the only company that’s social networking its processes, however.

Working to link clients in more innovative ways, Moosejaw Mountaineering (www.moosejaw.com) uses Social Business to better connect its clients. Moosejaw Mountaineering is a fast-growing retailer specializing in outdoor, surf, skate, and snowboard equipment and apparel. To thrive in a highly competitive market, Moosejaw Mountaineering needed to create an exceptional web experience that would engage a customer community whose appetite for extreme sports is matched by a hunger for communication and collaboration. Moosejaw sought to embed rich Social Business community features into its online commerce experience, thus becoming one of the first retailers to make “multi-channel, social commerce” the cornerstone of its growth strategy.

Moosejaw added social commerce features such as product-level blogging, public-facing customer profiles with photos, videos, adventure stories, and gear lists for upcoming trips (see Figure 1.2). Customers can interact with staff and with other customers on their site. They can continue to connect those threads on their mobile phones when they come into Moosejaw retail stores. This instance provides Moosejaw with a ready-made platform for integrating these social networking capabilities deeply into its commerce platform, which in turn generates amazing results. Moosejaw has increased its revenue from an expected increase in conversion rate (based on an initial increase to 50%) and increased its customer loyalty.

Leveraging the wisdom of the crowd (crowdsourcing) and co-creation to drive differences in your processes will make your Social Business outcomes only stronger in the marketplace. A Social Business’s key cultural transformations must support the key global processes, and enabling your processes with social techniques like networking will facilitate the needed transformation.

Moosejaw's social commerce tools

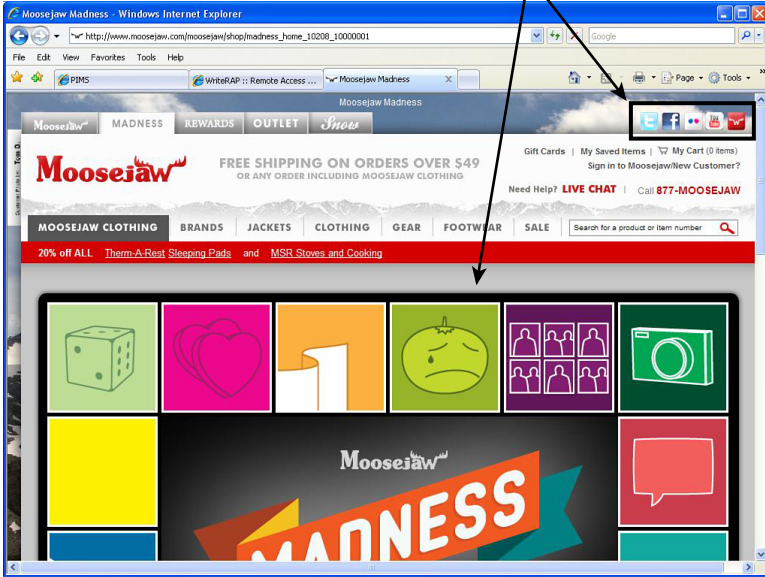


Figure 1.2 Moosejaw: Engaging customers with social media

Design for Reputation and Risk Management

This workstream is focused on helping you understand how your customers view your brand, company, products, and service. It helps to answer the questions of how we are doing, why we are doing well or poorly, what would happen if we changed, and what we should be doing to be more competitive.

In all my discussions with the C suite, the number one challenge is the concern about risk in opening up their business to the blogosphere. The biggest benefit is all about being connected to the clients and

allowing them and your employees to express themselves instead of working in a controlled environment. You can't always count on that loyal friend base saying just what you want them to. There are several actionable parts of the Social Business AGENDA to help you avoid and in some cases circumvent a negative "PR storm" about your company and brand.

For example, Domino's Pizza had an interesting experience dealing with a disaster. In a small franchise in my home state of North Carolina, two employees took their flip camera and posted a video that showed very bad and unsanitary food practices at this pizza hub. Soon there were millions of YouTube hits and a Twitter feeding frenzy. Domino's took too long to respond with their YouTube apology and a traditional marketing 1.0 press release. An online research firm called YouGov confirmed that the perception of Domino's brand quality went from positive to negative in approximately 48 hours. This incident outlines how important it is for businesses to "listen" to what people (customers, competitors, or employees) say, write, or in any other way communicate online about their firms, brands, products, or people.

This incident was a catalyst for Domino's to now become a Social Business that manages their reputation. They not only are prepared with a risk migration plan but actively manage their digital reputation by listening. I am sure you've seen their latest focus on listening to what people want—not just in marketing but also in the products they produce. They now have truly personified their image through text-based offers, Facebook, Twitter, and Foursquare usage in the U.K. Their experience truly changed their overall approach to designing for reputation and risk management!

The lessons learned should be applied to all Social Businesses. Actively work your reputation management. Have a risk management plan just in case. And remember, responding in 48 hours in the "old world" would have been impressive. But in the new world of Social Business,

it is just too slow. This workstream of the Social Business AGENDA will equip you with the tools to move quickly and systematically so that you are proactively prepared for any issue. In other words, your Social Business AGENDA will put into place a strategy for your team to be on top of the sites all the time (as in the hotel example) and respond quickly using social media communications platforms.

Analyze Your Data

This workstream is focused on reviewing how you can analyze and socialize your corporate data and public data to better organize data for information discovery. Analytics is the new black. If there is one thing that I think will differentiate the winners from the losers, it will be their ability to understand what is happening and to predict what trends are lurking. In the highly competitive arena we have today, Social Business's biggest advantage will be in your data and analytics. To improve and grow, a Social Business has to have insight into as much information as it can.

A friend of mine, Jeremiah Owyang, defined social analytics as “the practice of being able to understand customers and predict trends using data from the social web.” The majority of companies are still looking at things like page views or visits; however, Social Businesses of the future such as IBM, Facebook, Pepsi, and others are spending a lot of their time on the next-generational listening, sentiment, and other analytics tools that can propel a company forward. Sentiment is understanding how people feel about your company, brand, or category by analyzing phrases, “tone,” and comments online.

Take, for instance, Harley-Davidson. Harley needed to connect 1,363 Harley-Davidson dealers, 786 Buell dealers, 228 retail locations, and 1.1 million riders in the Harley-Davidson Membership Directory. Social media with enhanced analytics gave Harley not only the

connected points, but targeted content by role (dealer or client) and a way to increase the focus on that connection.

Let's take another look at IBM and an example that I experienced. The IBM HR department is looking to leverage analytical tools on the employee intranet given that 90% of IBM's internal content is now from social media solutions behind the firewall. We also use advanced analytical tools to gain insight into product launches and key events. This allows IBM to make changes on the fly and shift marketing messages and deliver information as our customers request it.

To understand the effects this can have, in January 2011 we had a large conference in Florida. With many technical people and longtime IBM customers in the audience, they were expecting to see some new demonstrations. About 45 minutes into the opening session, our event team backstage was picking up some negative sentiment from Twitter that people were getting anxious to see demos. After 60 minutes, the audience was getting frustrated.

I was one of the speakers during the opening session, and I can assure you that we prepared and rehearsed the flow for days in advance. That didn't matter. We were losing our audience. When my team showed me live feedback from the audience, it was clear we needed to make a change and do so fast. We altered the remaining 60 minutes of the opening session and went straight into demos. Within 5 minutes my team showed me the live feedback from the audience and the sentiment had turned from negative to positive.

The intense competition has resulted in many new and innovative ways to track and analyze data. The Social Business AGENDA ensures that you are not data rich but insight poor. Social analytics will play a huge role in how you learn to make experiences more and more personal and rewarding for both your client and your company.

Technology as a Competitive Ingredient

Today every business is dependent on technology. It is a driver of competitive advantage. For your Social Business AGENDA, technology will lace all the workstreams. For example, engaging your clients will involve some use of technology, whether mobile, gaming, or basic social media.

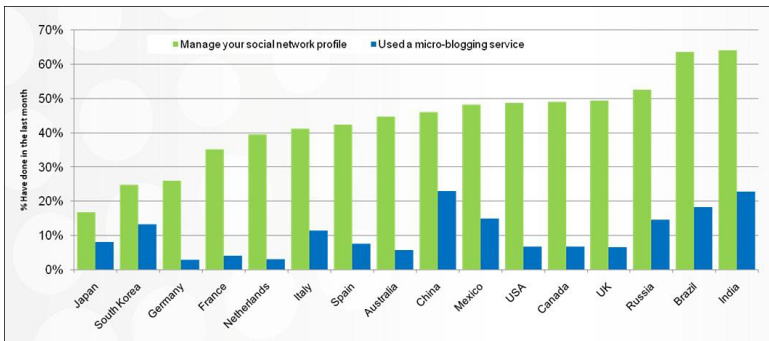
The value of this continuous alignment of business and IT is shown in financial results. According to a study at the London School of Economics, continuously aligning business and IT increases overall productivity by around 20%, double individual contributions. It's this kind of synergy that is your goal.

Given that this business and technology alignment is such a critical part of the equation for success, I will share our Social Business Technology Framework as well. It complements the AGENDA and ensures continuous alignment between the underpinning of technology and the Social Business goals.

IBM holds an annual Social Business Jam (a giant, global virtual chat focused on a set of topics by experts and interested parties, typically lasting two to three days). In 2011, the participants of this Jam viewed the social evolution as an opportunity for IT to develop innovative new approaches toward supporting the growth of the enterprise. These could take many forms, such as enabling a remote workforce to easily collaborate with different offices. Creating a smart, flexible strategy for mobile devices that balances the security that the business demands with the mobile tools and applications that users want is one way to spark innovation. Providing analytical tools is another way IT can play a part in Social Business. Analytics can help identify influencers and leaders, create taxonomies to provide a better context for incoming information, and enable users to mine data from blogs, wikis, and tweets, helping determine patterns and better quantify—in real time—brand perception.

The Bold AGENDA Is Globally Applicable

The examples I've provided thus far and many more in the upcoming chapters are happening globally in both businesses and personal settings. Social Business is the new global platform. According to the Global Web Index, the United States is being outpaced by several countries, such as India, Brazil, and the U.K., on those using a Social Networking profile. As you can see from the Global Web Index statistics in Figure 1.3, countries all around the world have embraced these new communication tools.



Excerpt reprinted with permission of Trendstream Limited/GlobalWebIndex

Figure 1.3 Social Networking is the global platform.

Countries have embraced social tools for a variety of purposes. I had the great fortune of meeting with Oscar Arias Sanchez, the president of Costa Rica and recipient of the Nobel Peace Prize for his Central American peace plan. He had planted the seeds of IT and technology in the fabric of Costa Rica. When he became President, his mission was to invest in the people of the country. What Costa Rica needed the most was improvement of education, especially technical education. Costa Rica is reaping the fruits of

that goal with companies like IBM, Intel, and now Cisco investing in communities and businesses in the region. In fact, Cisco just created a Cisco Entrepreneur Institute to help small and medium-size business entrepreneurs improve their business skills and learn how to use collaboration and social media technologies.

Clearly, all nations have embraced this new form of communication and information. Regardless of where you are doing business, or setting up your own personal brand, or even learning about how to deal with a life issue, social techniques are now an essential element: Much like air is required to continue to live, social is becoming an essential element for countries, companies, and people.

The examples discussed so far are of companies, groups, and individuals that have taken the lead on Social Business because of their plan, people, process, and passion. How you build your own bold AGENDA and what you create will differentiate you in the future. The chapters that follow dive deep with examples into the Social Business AGENDA and help you and your company or government develop a road map for your journey.

Conclusion

Social Business is different from Social Media in its breadth, impact, and returns. To truly capitalize on social collaboration, it must be fully integrated into existing business processes and tools. This requires a coordinated, three-pronged approach, with leadership driving the initiative, human resources supporting the necessary cultural change, and IT providing the necessary tools. This will result in a new kind of process. During IBM's Social Business Jam, a participant wrote, "We're going to see a significant transition away from more-structured business processes to a much more socially collaborative process style. Employees will be much more aware of

their processes via the communities in which they're involved and will work in a much more dynamic and collaborative fashion.”

In this chapter, the bold AGENDA for Social Business came alive. First movers truly have a competitive advantage because social is about relationships, and the strongest relationships are built over time. Social networking tools are dramatically changing the way we communicate and collaborate—both at home and on the job. Many businesses have reached a tipping point, a moment of critical mass, with this new approach to collaboration. They are effectively using social networking as a channel; however, in many cases, they are still attempting to discover how to internalize it and take advantage of the collaborative aspects and cost benefits that becoming a Social Business can bring.

Whether your company is focused on attracting and engaging customers with exceptional brand experiences and personalized interactions across touch points, or improving customer insight and establishing a single view of customers, becoming a Social Business is a requirement in today's world. Social-enabling your business processes while transforming your culture is not an easy task but one that must be conquered.

The bold AGENDA is a comprehensive set of workstreams that covers goals, culture, governance, listening, trust, engagement and experience, processes, risk management, and analytics that will help shape your journey. This journey is a global one—think bigger than your regional area!

Let's continue to see how the Social Business AGENDA can help you!