Social media is not a threat but a reward for companies!

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Several years of work experience focused on campaigning, public affairs, sustainability, corporate social responsibility and social medial (e.g. Ketchum Pleon/ ECC Kothes Klewes Dresden, Scholz & Friends Berlin). Worked for clients like Frankfurter Allgemeine Zeitung, Deutscher Sparkassen- und Giroverband, The Federal Ministry of Education and Research, Carl Zeiss, Vodafone and Microsoft etc. Lecturer at Technische Universität, Dresden, Universität Hohenheim, Freie Universität, Berlin.

The Cost Action investigates the topic of media change from an audience perspective. Why should companies care about these developments?

A change in the media always affects all participating communicators including businesses. Shying away from new media will only work during the short initial period of transformation. Nonetheless, this initial period has long since passed in the current media change. Corporations that today, in the year 2012, who still believe they can wait out this change towards more interaction and participation, should reconsider their position. Following Paul Watzlawick's axiom, "One cannot not communicate", absence from Web 2.0 is a message on its own; if a corporation doesn't talk to customers directly via social media, they wonder what it has to hide.

You've already mentioned the keywords interaction and participation, both of which are really unraveled in the Web 2.0. Does that mean that businesses should create a Facebook page as soon as possible?

No, for the simple reason that the phase of experimentation on Web 2.0 is over. In the beginning, clumsy but charming social media presences were smilingly accepted because good intentions were all that counted, although now, that attitude has changed. Web 2.0 with all its channels and possibilities should be a part of the communication strategy and should be used professionally, just like any other means of communication. A poster campaign isn't designed overnight similarly a social media engagement should be planned just as carefully. I should add, Web 2.0 isn't only Facebook and Twitter. A business needs to find a fitting combination from all the nearly endless number of services, and this is a task for which a business should, by all means, use external experts in order to build its own know-how.

Many corporations fear that new opportunities for participation empower customers who can voice negative, even unwarranted criticism. How do you address such concerns?

First up, we need to be frank. Of course the worries are not without merit, but the threat is equally real whether or not social media are involved. Corporations have planned particular crisis scenarios and trained their employees to handle critical inquiries. Companies need to be equally prepared for incidents on the social web.

They need to know the specific channel logic of communication in Web 2.0. On the whole, I still see Web 2.0 as a net benefit, not a threat to corporations.

Please explain.

Companies that were honest before, took their customers seriously and pursued a sustainable long-term strategy and they are thoroughly happy about the Web 2.0. Negative criticism isn't the only thing that spreads fast in the web of opinions; positive examples get a lot of attention as well. In social networks, everyone can see how a business deals with its customers. Critical inquiries are always opportunities to prove that one can do better, that is to persevere in front of the world and also potential future customers. In the past, consumers mainly interacted with personal sales and the company at the POS (Point of Sale). If anything bothered them, they needed to complain to the sales person via letter or phone. Today, the threshold for direct contact is so low that I can give instant feedback. Companies can profit from this by pivoting equally quickly and aligning their products or services with consumer demands. Even so, the preparation and external consultancy mentioned earlier is a necessary preparation in order not to be overrun by customer feedback.

Well, there should be few corporations that can maintain never to have any lapse in judgment and therefore to be impervious to criticism.

That's true. That's why it's all the more important to build relationships with customers based on true interactivity and participation, rather than merely sending a coupon at every birthday. Companies need to realize that misconducts carry a vastly enlarged risk of going public when compared to pre-Web 2.0 times. The more transparently a company acts and the stronger the relationship is with the customers, the more they will stay loyal and even defend their brand against critics.

How could social media contribute to a stronger relationship with customers?

Being able to interact with corporations at all is the first and inherent step to a stronger relationship through social media. The reason is the same as in human relationships, how long can they last without communication? Social media helps with keeping in touch. As an example, small stories from the company's factory offer unfamiliar insights into the business, for example on Facebook. Customers can react with a low-threshold like or a comment which the business can in turn extend thanks for. Both sides keep in touch, get to know each other and the connection gets stronger. The community wants to be taken seriously.

Could you name any positive examples?

Our agency did an animated film for DaWanda, an online marketplace. It consists of over 1,600 pictures that the DaWanda community painted, stitched and even baked. The feedback was fantastic! The movie made from user generated content won several awards for successful online communication.

Most importantly stay authentic! Don't let your head of PR manage your Facebook profile.

Hire experts who identify with your company and know how to talk to the community, but who are at the same time reputable enough not to leak company secrets. In the future, an ever-increasing number of companies will have such a community or have social media managers who are able to establish much stronger and much more direct relations with customers.

Speaking of staying authentic, so far, companies have mainly tried to polish their public perception through CSR. What do they need to watch out for in going forward?

As I said, a lot of misconduct within a company carries a much higher risk of being uncovered quickly through Web 2.0. If any CSR program only serves as greenwashing, then that strategy should definitely be reconsidered. If there's anything the community can't stand, it's a lack of credibility.

This doesn't mean that CSR should be challenged in every case. Quite to the contrary, an integrated CSR project that's initiated and realised via social media in

collaboration with consumers can strengthen the relationship and bolster customer loyalty. That entails pro-actively establishing topics instead of trying to catch up to the agenda of one's stakeholders. CSR in the social web can be a suitable mechanism for this.

What will the future bring for companies regarding social media?

Social media will continue to evolve into an everyday communication channel. Companies will notice customers' bewilderment if they lack a link to their social media profile right next to their phone number.

Another issue will be privacy in the context of ever more permissive sharing of personal data. What kinds of data protection laws do we need? And how can and may corporations profit from voluntarily submitted data without the risk of losing the consumers' trust?

In addition, inspiring social media presences that work towards sustainable communication concepts instead of the highest possible number of fans will move into the limelight. Deutsche Bahn recently illustrated that with their Facebook presence. I think their page is really good. Their launch time was very brave as it was just after the increase in fares and before winter with its precarious promise of snow chaos and dissatisfied passengers.

It was nicely done and innovative for a business of their size, with the idea of using Facebook pages as a customer service channel and not as a sales instrument. This way, negative criticism from customers can be handled by customer service and other customers (who refute claims and clarify issues) alike. That's exactly how social media involvement becomes really valuable for the company and its customers.

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