CREATING THE SOCIAL ENTERPRISE

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Engagement with the customer today isn't just pouring a message down on their head and hoping they get wet.

It really is understanding that you must be present in a conversation when they want to have it, not when you want to.

Bob Thacker,
OfficeMax CMO

The Social Enterprise can be defined as: 'Intentionally using social media to engage with customers and deliver an experience that builds brand loyalty for the enterprise'.

A 2009 study found that *"companies that are both deeply and widely engaged in social media surpass their peers in terms of both revenue and profit performance by a significant difference"** Now the data does not prove a causal relationship; merely that those brands that engage the most with customers also happen to be more financially successful. But you don't need to be a rocket scientist to understand that when you are more engaged with customers they are likely to be more engaged with you.

However, therein lies the challenge. Unless you have a well thought-through customer experience strategy that is intentional in delivering your brand seamlessly across multiple channels, and also the supporting technology to do it, increasing the level of engagement merely increases the level of risk.

Forrester's '**State of Customer Experience 2011**' survey of 118 customer experience professionals around the globe found that 76% of them said that improving the online experience was their number one priority, yet a lack of customer experience strategy was the biggest obstacle to success.

So how do organisations climb on board this speeding train without risking a nasty fall?

According to Marc Benioff Chairman and CEO of salesforce.com, there are three key steps to becoming what he terms the 'social enterprise':

Engage - Create a customer social profile so that your brand is listening to customers and in the flow of conversation

Share - Create a social employee network within the organisation to share knowledge so that your people are in the know and able to respond

Create - Create a customer social network so that your customers become fans of your brand and are able to contribute to it

Let's take a look at each of these three steps in turn.

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1) Engage – be in the flow

Social media is happening whether you are there or not. So the first thing you need to do is to 'be in the flow'. This is easier said than done however. Dipping into social media is like sipping water from a fire hose - you may end up with more than you can handle!

This means that you need good technology to help you sort the important from the irrelevant and, more importantly, help your people respond appropriately.

There may be many thousands of tweets, blogs or posts that mention your brand in passing. Most of these will be 'background noise' and not worth the effort to process. So the first thing is to reduce these to the few that are relevant. They also need to be aggregated so that you create a complete view of the customer and what their likes and preferences are.

Today, customers expect you to offer a range of communication options - phone, email, website, chat, online forums and communities, fax, traditional mail, and in person. Many customers will use these channels interchangeably, so they must be integrated. This takes the multichannel concept beyond just providing operational efficiency, it also provides customers with choices about the kind of experience they wish to have and how they wish to have them.

Social media data can be further reduced to those that require attention and finally, to those that need urgent action. For example, one mobile phone company picked up a tweet from a customer complaining that he couldn't get a good signal near his home. That particular customer happened to be a media celebrity with several million followers. The company concerned erected a mast near his home to improve the signal!

Some organisations are not only in the flow but are analysing the social media feeds to present back to its customers. First Direct, the telephonic and on-line bank, monitors social media commentary and reports what its customers are saying live on its 'Talking Point' web page. Customers can view the topics and post their own contributions so that the bank is constantly in the flow of feedback.

Products like salesforce's 'Radian 6' are designed to manage the flow so that it is reduced to a trickle of insight from a deluge of information. But having arrived at the insight you then need to do something with it.

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2) Share – get your people 'in the know'

In order to respond quickly and knowledgably to customers through whichever channel your customers choose to communicate you need your people to be informed and enabled. This is particularly important in the contact centre because all so often this is the only contact that customers have with the employees of the brand. Tony Hsieh of on-line retailer Zappos sums this up well:

"

We really care about each telephone interaction, and treat it, not as an expense to minimise or an opportunity to get revenue, but one of the best branding opportunities out there. What we've found is that, if we get the interaction right, then customers will remember that for a very long time and tell their friends and family about it [1]

Getting the interaction right

One example is when Wendy Fitch, a regular Zappos customer, posted an 'out-of-office' announcement in her Outlook saying that she was away on a charity run for breast cancer. When the Zappos e-mail letter she subscribed to bounced back, one of the agents in the call centre picked it up. During her lunch break the agent purchased a gift card and sent it to Wendy with this message (as shown on Wendy's blog):

> *(Dated 8/28/09)*
>
> *Hello Wendy!*
>
> *While working through emails from our amazing customers, I came across your auto reply. Normally we mark them as auto replies, but yours caught my eye. I just wanted to let you know what an admirable thing you are doing! We at Zappos are proud to have you as a customer, and as part of our family.*
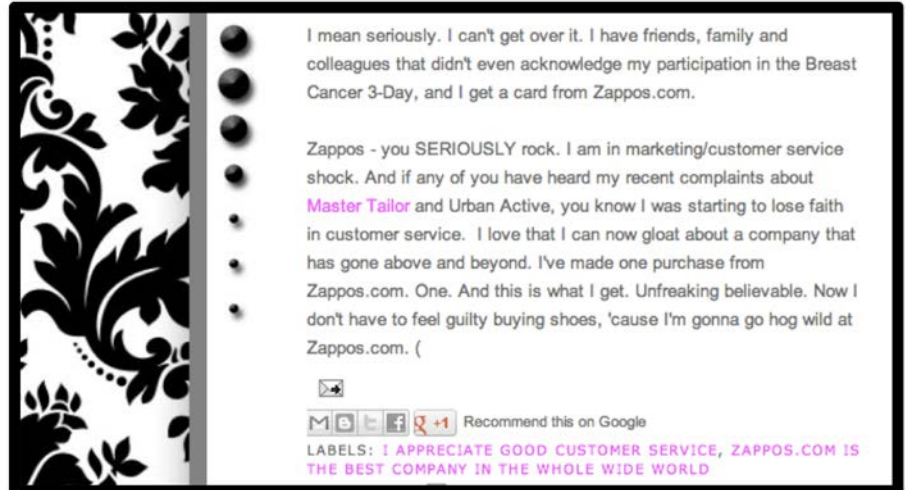>
> *Thank you for being a wonderful person.*
>
> *Ashlee – customer relations rep at Zappos*

And her reaction? Take a look at the next page to see what she posted on her blog.

1 Source. 'Bold-How to be brave in business and win' Shaun Smith and Andy Milligan. Kogan Page 2011

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http://decembertenth2005.blogspot.co.uk/2009/09/that-darn-zapposcom.html

So what was it that enabled the Zappos rep to take that action?

Firstly, that agent embodied the Zappos values. There are many bright, well-qualified people that you can hire, but only a few of them will be the right fit for your brand. Find the people who share your values and teach them the skills they need. Zappos uses a 360-degree interview process to find the right people for the brand and then offers the new hires $2,000 at the end of their first week of training to leave the company. Why? Because Tony Hsieh only wants people who are passionate about the brand and committed to what it stands for.

Secondly, the processes and technology you use must support and enable the agents or front-line employees to focus on the customer. It needs to provide them with the right information at the right time about the right customer leaving them to focus on creating the right emotional connection. The agent desktop needs to centralise and integrate the various channels and present the information to the agent in the best way possible. Products like 'Service Cloud' and 'Sales Cloud' enable employees to get the right information at the right time about the right customer irrespective of the channel they come in through. In the example of Wendy Fitch, the email bounce back was picked up by one channel and the agent chose to respond via another.

Thirdly, employees need to be kept informed of the latest changes to products or services so that they, in turn, can provide accurate information to customers. Organisations like Symantec and Burberry for example, are now using internal forms of Twitter called 'Chatter' to ensure that employees are in the flow of communication too.

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3) Create fandom

Burberry and the mobile phone operator O2, both have brand communities. O2 calls its customers 'fans' and has a 'fan club' that provides privileged access to entertainment at the O2 Arena and sporting events. In the process the brand has attracted more users that any other company in the market place and has the highest NPS rating (Net Promoter Score, a measure of advocacy) in the industry. The question though, is how do you convert social media followers into brand fans and fans into paying customers?

High fashion brands promote themselves primarily through annual shows in Milan, Paris, London and New York. The problem is that only a small carefully chosen audience is able to experience these and it is then months before the products are available via the stores. Burberry launched a concept called 'Runway to Reality'.

Burberry's shows are broadcast real-time in 3D around the world to an audience of thousands. Simultaneously the shows are streamed live over the Burberry web site to a potential audience of millions who can view them via their computer or iPad. Those viewers are then able to immediately click on the products they like and the products are delivered directly to them a few weeks later.

The final stage of maturity for the Social Enterprise therefore, is to create a customer and product social network so that your brand has a visible presence and the means to enable customers to become part of your brand and co-create with you. This is achieved through raising the profile of your brand not only through Facebook and Twitter but also by creating the means for interaction via innovative applications.

O2's sub-brand, 'GiffGaff', is positioned as a 'people powered network' because the customers use social media to promote the brand, suggest product ideas and provide advice to each other to keep operating costs down in exchange for the lowest prices in the market.

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Conclusions

There is no doubt that e-commerce and social media are now main-stream and often the default choice for consumers when they interact with brands. This means that organisations must stop treating social media as an interesting, but peripheral, part of the marketing mix and start integrating it as a fundamental sales and service channel. This in turn requires managers to create a strategy that aligns processes, technology and people so that the experience that customers receive is consistent, intentional, differentiated and valuable irrespective of the channel used to deliver it.

This raises an important question, 'who owns our social media strategy? Should it be Marketing, because this has been the function responsible for brand reputation? Should it be Operations, because they run the contact-centre and inbound customer communication? Should it be Customer Services, because this is the unit that deals with complaints typically? Or perhaps it should be IT, because they are procurers of technology? In fact, the very nature of social media is that it is joined-up and the only way to become a Social Enterprise is to be equally joined-up. To that extent the Social Enterprise will only be successful if the 'C-Suite' owns it as a team and it is approached as an integral part of the overall customer experience strategy.

So if you are one of the organisations intending to contribute to that estimated $55 billion spend on social media marketing by 2014, better start getting your customer experience strategy in place soon.

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From an article posted on salesforce.com

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