

Building a social enterprise



Changing the way we do business and engage with markets

Customer expectations

- A 'persistent digital engagement' lifestyle
- Permanently changed expectations of responsiveness and engagement

Employee expectations

- Openness, transparency, collaboration
- New role in decision making
- Communicators to the outside world

Business processes

- Social business strategy
- New ways to work with each other, with vendors, and with markets
- Improved services, development, sales and support

01

Going 'social'

"Conventional marketing wisdom long held that a dissatisfied customer tells 10 people. But...in the new age of social media, he or she has the tools to tell 10 million."

Paul Gillin, author of The New Influencers

What is social media?

Social media refers to the use of mobile and web-based technologies to turn one-way communication into an interactive dialogue.

Social media is flourishing. Leading companies know that participation is no longer an option, but a requirement. To ensure success, entry in social media must be a strategic decision. It requires adequate planning, resources and support. While social media should not replace face-to-face communication, it can enhance the overall customer experience and create new sales and servicing opportunities. Most importantly, social media is no longer considered an emerging technology – it has arrived and is here to stay! While most people use social media on a daily basis, the challenge for organisations and CIOs is that they may not know how to put it to use in the enterprise. Understanding the various applications of social media and how they can be used to achieve business benefits is the first step.

Social media, when done well, can create a collaborative dialogue with a very large, but very specific audience – one person at a time. And, it's successful because it breaks down formal barriers.

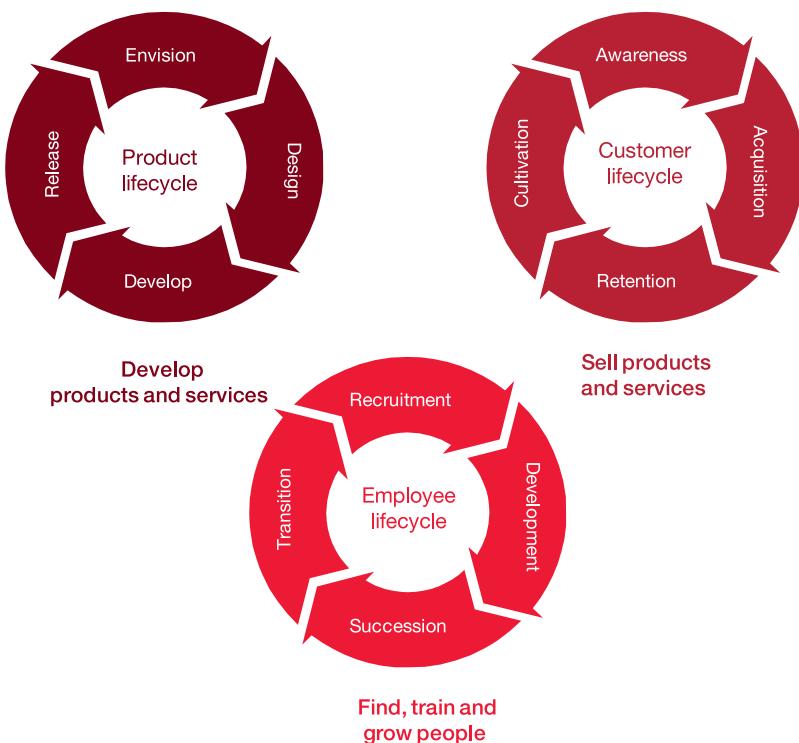
Social media provides an opportunity for instantaneous communication and promotes collaboration across functional groups and geographic regions. At its most powerful, it can bring the full weight of millions behind identified ideas and actions – within days – if not hours.

How is social collaboration different from social media?

Social collaboration is the internal use of social networking tools to create value by working together on a common goal.

02

Successful companies are using social networks to revolutionise their work processes



03

How big is social media?

- 1 million of India users added to Facebook every week - at one point. >60 million registered.
- 40% of Indian users made a phone call using Skype (three times more than US and six times more than Japan)
- 1/3rd of India's social media users use microblogging sites such as Twitter at least once a day.
- >1/2 (57%) of Twitter users in India have signed up in the past year.
- 60% of internet users are on social media.

It's bigger than you think.

The speed, breadth, depth and scope of social media penetration is astonishing. It took 13 years for television to reach a worldwide audience of 50 million. It took Facebook three years; and just another four years to reach over half a billion users worldwide.

Social media presents a massive opportunity to better understand and reach out to consumers in real time.

The challenge is in finding patterns in the noise.

By connecting directly with consumers, many companies are finding that their customers have great ideas.

Social media is about reaching out to employees as well.

Nine out of 10 internet users visited a social networking site each month in 2010.

Source: PwC Research and Analysis, The data is collected from the internet

Consumers are 55% more likely to recall ads that include social-media components than non-social ads.

2011 Nielsen survey

India added the maximum number of users globally (close to 1 mn) to Facebook last week.

India is the fastest growing market for LinkedIn which is growing at one user per second globally.





04

Defining the key benefit areas for your business

90% consumers trust
peer recommendations...only 14% trust
advertisements

Playing the digital defence

But while social media is positive towards brand - the buzz is great, when the commentary turns negative, crisis management becomes urgent. Avoiding the media isn't an option. Companies need to carefully engage and put in place the right people and technology to counter viral criticism, if it happens.

Also, consumers expect social media conversations to be two-way, which means companies must be prepared to both converse and provide value on a long-term basis.

Today, companies can take their customers' virtual pulse in real time, one on one. More importantly, they can also respond.

Companies must engage consumers

Globally, nearly four out of five retail companies and more than half of consumer packaged goods companies now invest in social media.

Product development

Social media is increasingly used in creative ways to develop advertising campaigns and can even contribute to product development.

Coca-Cola asked its Facebook fans to choose new vitamin water flavours, while PepsiCo's DEWmocracy campaign asks fans for inputs on everything from flavour to advertising.

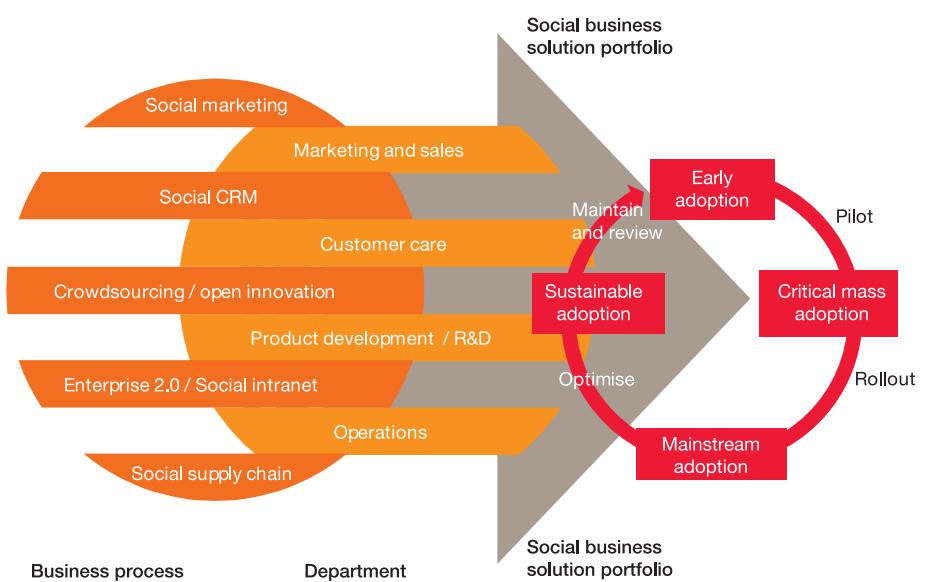
Employees

Employees spreading the positive message through their own social network can have a far-reaching impact on the brand equity of your company. Every one of your employees can be considered a spokesperson for the company.



05

Social business transformation: How you can add value to your business



Social business outcomes

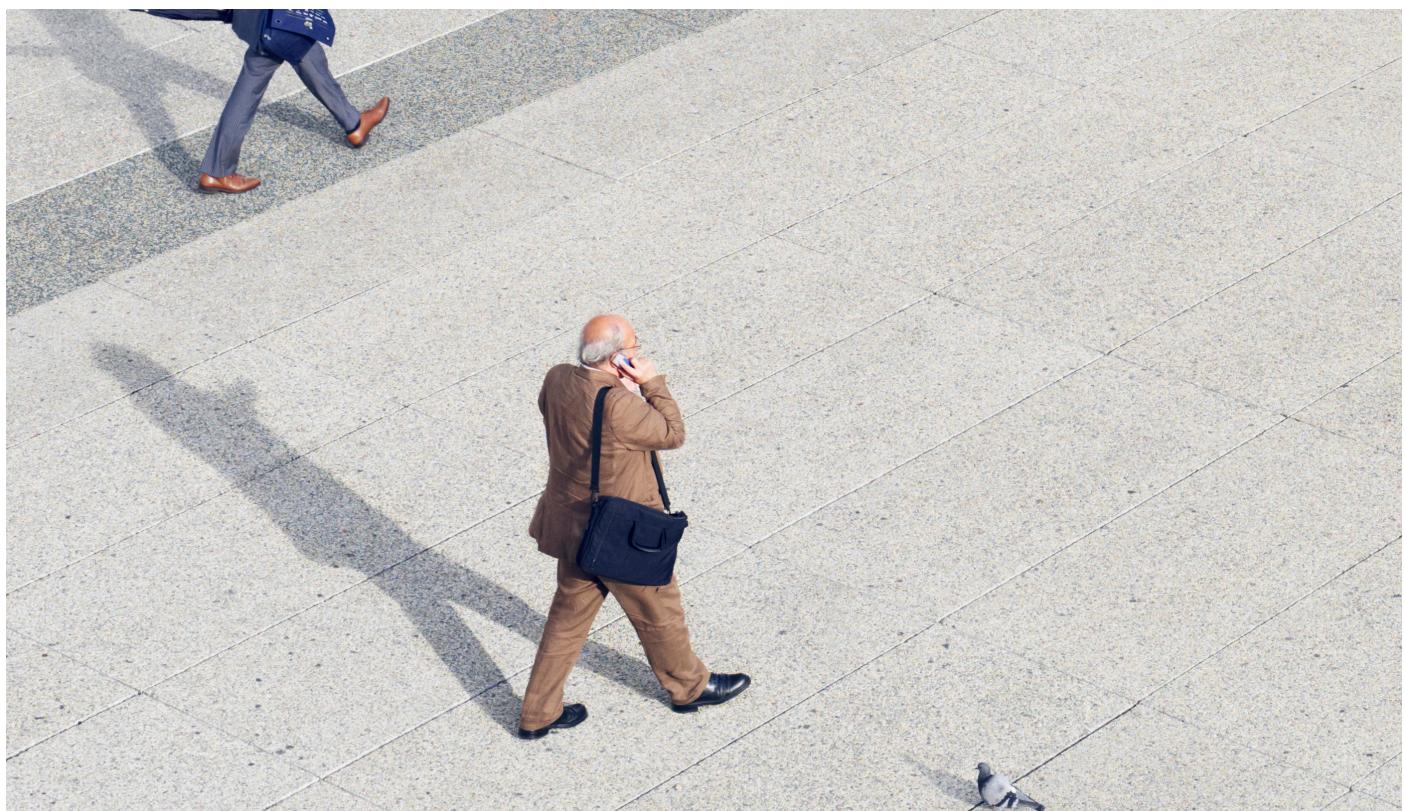
New forms of revenue generation

Potent new products and services

High engagement customer relationship

Cost reduction and economies of scale

Market share growth and customer retention



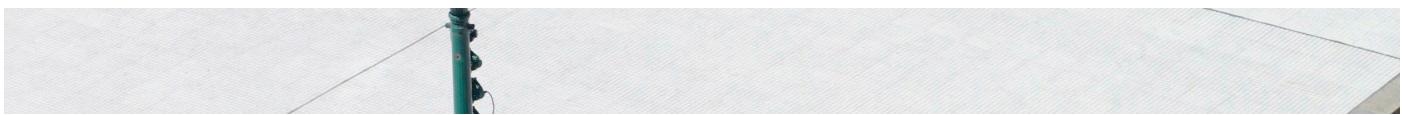


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“Creating an ecosystem of ideas and relationships is what social media is all about. Enterprises need to understand this concept and how to capitalise on it.”

And here's how a strong social media strategy can help...

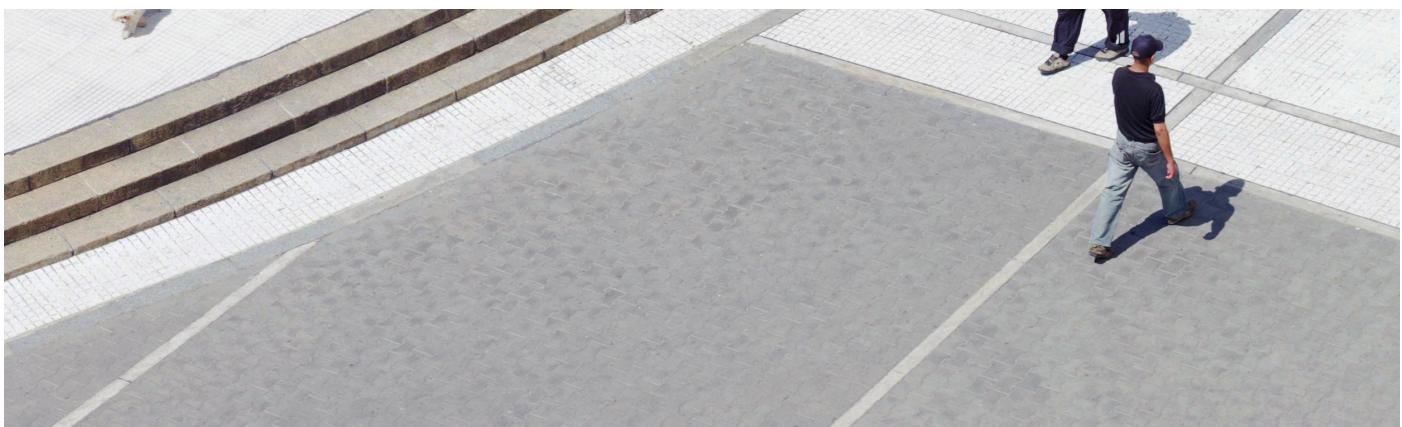
Business model	Defining new opportunities for growth and efficiency using social channels
Analytics and insight	Enabling real-time business intelligence that can personalise the customer experience whilst improving productivity and efficiency
Customer engagement	Enabling organisations to design new customer experiences to engage in the digital world
Employee and network engagement	Developing an environment of collaboration and knowledge sharing both within the organisation and partner networks
Technology infrastructure and security	Defining technology solutions to efficiently support an agile business model and digital solutions
Collaboration and social media	Enabling the management of structured and unstructured knowledge, conversations and dialogue
Social co-creation	Enabling enterprises to build a platform for stakeholders to collaborate and co-create. For instance, customers can have greater engagement with the products, processes and services they use.



07

Five reasons to take this seriously

#1	It's where your customers are gathering	Business value of social media (Discuss on the evolution of social media, share success stories and initiatives undertaken by organisations primarily in retail and consumer industry)
#2	Conversations about your business are happening – with or without you	Implications and challenges for businesses (Identification of potential benefits and likely issues that organisations face while embarking on social media)
#3	Your brand is being circumvented	Social media strategy considerations (Factors to be considered while developing a social media strategy)
#4	It's the world's largest focus group	Balancing between today's and tomorrow's challenges (How social media strategy needs to continuously evolve through analytics and information advantage)
#5	It can be the most effective way to reach your customers	How PwC can add value (Possible models of engagement with you)





And here's how a strong social media strategy can help...

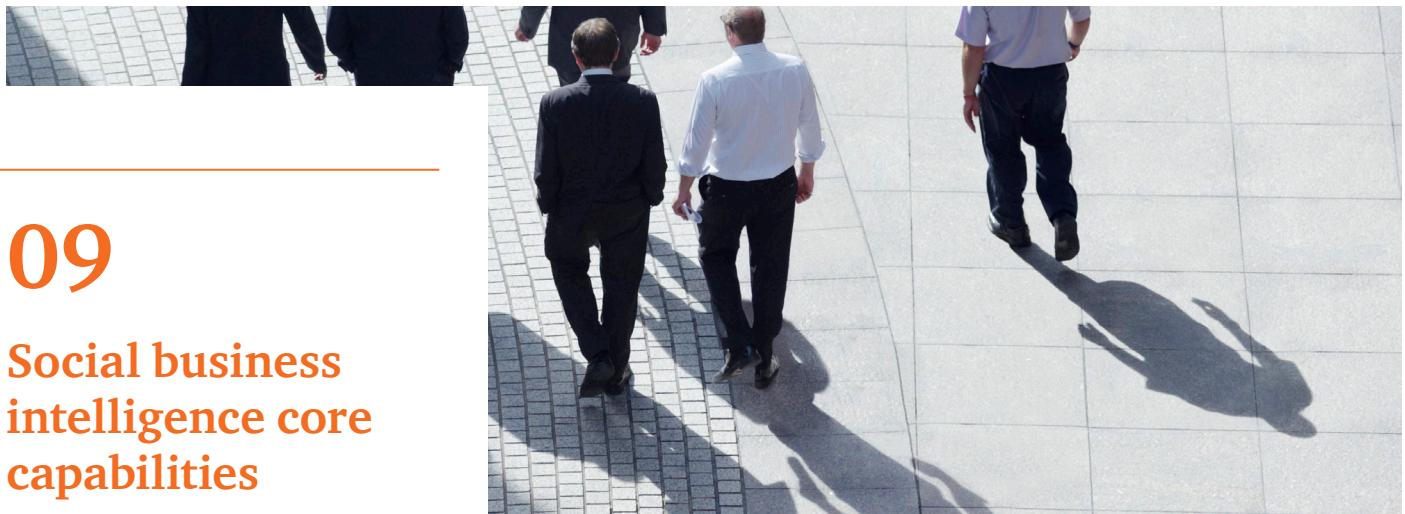
08

Why is social business intelligence important?

In today's social world, companies should listen to the conversation in order prepare a cross-functional, coordinated response to potential risks presented within social media content.

Risk	Customer experience	Competitive intelligence	Marketing
A large, international oil company's oil spill: even if the accident itself was not preventable, social media intelligence could have better shaped the response and lessened the fall-out by immediately understanding the conversation and concerns as they were happening in order to create the appropriate response.	A major mobile network operator could have predicted the backlash that came from adding a fee to pay online with a credit card and avoided it altogether with a modified approach by retrospectively searching for similar situations amongst competitors and understood likely complaints.	A telecom company producing a once popular smartphone could have looked to competitors to overcome the continued business challenges of the declining market for its phone by understanding key features and needs being discussed by competitors' customers, and whether they were successful.	A film company wrote off 200 million USD due to worse-than-expected box office performance: listening to social media could have influenced marketing by understanding demographic information, preferences, and key influencers in conversation to target effectively.

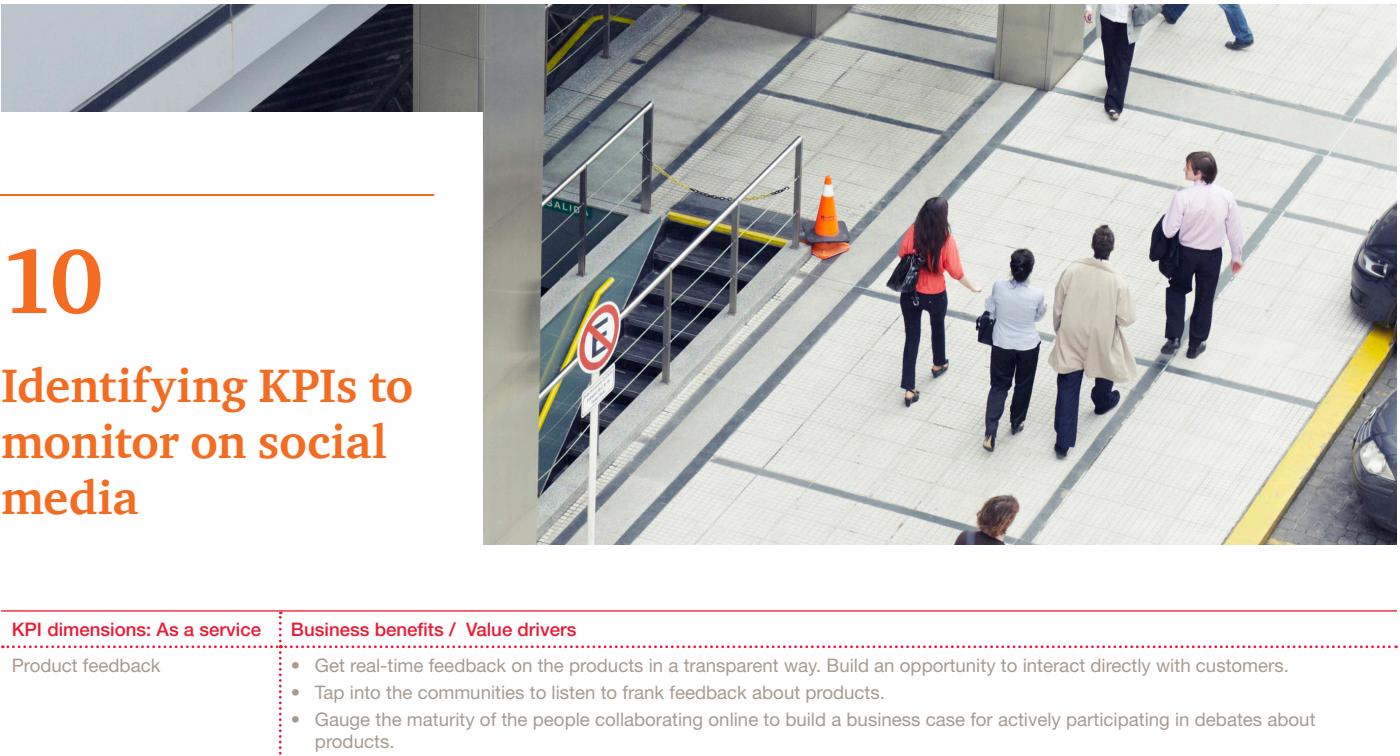
An integrated approach to social business intelligence can mitigate impact to reputation or market share when an incident occurs.



09

Social business intelligence core capabilities

	What	Range	Benefits	Costs
Breadth	How much of the web?	Top networks-All social-All digital	Early warning, Unexpected insight	Time, money, complexity, storage
Depth	How much of each source?	Sampling-Windows-All mentions	Sample size, weak signal, trending, pattern matching	Time, money, complexity, storage
Sourcing	How is data harvested?	Buy-Curate-Crawl	Depth, breadth, weak signal, customisation	Time, money, manual intervention
Latency	How fast are results delivered?	Weekly-Daily-Real-time	Reaction time, competitive advantage, risk mitigation, customer satisfaction	Computing power, cost
Tuning	How configurable?	Query-Refine-Machine learning	Deep analysis, weak signal, competitive advantage, info arbitrage	Staffing, expertise, time, money
Action	What response is being driven?	Listen-React-Predict	Competitive advantage, risk mitigation, customer satisfaction, information arbitrage	Staffing, expertise



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Identifying KPIs to monitor on social media

KPI dimensions: As a service	Business benefits / Value drivers
Product feedback	<ul style="list-style-type: none"> Get real-time feedback on the products in a transparent way. Build an opportunity to interact directly with customers. Tap into the communities to listen to frank feedback about products. Gauge the maturity of the people collaborating online to build a business case for actively participating in debates about products.
Customer satisfaction / complaint analysis	<ul style="list-style-type: none"> Identify pain points/ complaints of customers. Social customer service is a great new opportunity to drive satisfaction, build loyalty, and create differentiation among competitors. Understand the potential use of social media in building relations and in understanding the key points for customer satisfaction.
Voice of customer / customer intelligence / co-creation	<ul style="list-style-type: none"> Voice of customer analysis to understand how customers feel about the brand / company. Identify the 'co-creation hubs', which are the communities that appeal to both the company and the customers. Gauge the maturity of the people collaborating online to participate in product development / co creation / idea identification.
Campaign monitoring	<ul style="list-style-type: none"> Understand the reach of the current campaign in social media. For any new campaign (online or offline) understand its 'viral'ity in the social world. Identify influencers in the communities for future campaigns--both online and offline.
Competitive intelligence	<ul style="list-style-type: none"> Understand the sentiments associated with competitor brands / products. Analyse user-generated content, interactive content, multimedia content to better understand and communicate with the TG.
Company brand perception for employees / future employees	<ul style="list-style-type: none"> Social media is about reaching out to employees as well. Analyse what employees are talking about the company in the social media channels. Analyse how the company is perceived as an employer / place to work.



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