



## Social Media in a Business Context: Is It Right for My Company?

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*Danielle Leitch is Executive Vice President of Client Strategy at MoreVisibility, a thought leader in online search, design and interactive marketing. Founded in 1999, MoreVisibility has been named to Inc. magazine's prestigious Inc. 5000 list of the country's fastest-growing privately held companies for the past five years. With nearly 15 years of business development and marketing expertise, Danielle is regularly sought out by national business publications and trade organizations for her insights on industry trends. Much Shelist spoke to Danielle about the growing use of social media as a communications tool for businesses.*

**Much Shelist: First of all, what is social media?**

**Danielle Leitch:** "Social media" is a term that describes a range of Internet-based platforms through which people communicate with each other. E-mail is probably the most familiar tool that meets this broad definition; however, when we speak of social media, we are generally talking about things like blogs and micro-blogs (LiveJournal, Twitter), collaborative information tools (Wikipedia), multimedia sharing sites (YouTube, Flickr), social and professional networking sites (Facebook, LinkedIn), product review resources (epinions, Yelp) and social news sites (Digg, Reddit). Through these technologies, people with common interests can exchange information, debate issues and connect with others, whether they are across town or on the other side of the globe.

**MS: We seem to be hearing quite a bit about Twitter, Facebook and LinkedIn. How do they differ?**

**DL:** Each of these online sites has its own unique structure. Although Twitter is expanding the tools currently available to its users, the basis of that site is the 140-character "tweet," a type of mini E-mail that is broadcast to "followers," telling them what the author is doing or thinking at that very moment. Facebook, on the other hand, allows the creation of extensive profile pages that include Twitter-like updates, but also allow users to post personal information, news, photographs and hyperlinks to events and other websites. Users can also join groups based on common interests such as running, theater, etc. Originally created for the exclusive use of college students, Facebook's user profile is much broader today. LinkedIn, primarily used by businesspeople as a networking tool, allows users to post resumes and other career-related information. All of these sites have a certain level of data security, with access to personal information generally restricted to those who have been granted permission by users to view their pages or receive their messages.

**MS: Until recently, social media was driven primarily by individuals connecting with other individuals. That appears to be changing. Should business owners consider using social media to promote their products or services?**

**DL:** There are many reasons a company might want to incorporate social media into its overall business plan. For example, it can serve as an inexpensive advertising

channel (compared to print, television and other traditional media outlets) that offers low barriers to entry and levels the playing field among businesses of all sizes. Companies can use social media for a broad array of direct and soft-sell marketing initiatives, as well as brand development and monitoring. When unforeseen events occur or negative publicity arises, a business can also use social media to engage in rapid, real-time damage control.

What's particularly exciting about social media is that communications run in both directions. In addition to sending messages out, businesses can use social media to bring information into the company by soliciting instant feedback on products and services. A number of businesses are also using social media as part of their customer service operations and as a recruiting tool.

No matter the platform, adoption of social media is incredibly widespread. On virtually every demographic measure (age, race, sex, income, geographic location, education, job title and industry), users of social media are quite evenly distributed. Given this level of penetration, it is more likely than not that your customers and your employees have already embraced social media. It's also quite possible that some of them are talking about your company online, for better and for worse. Since opinions, information and misinformation can spread across the Internet faster than wildfire, it may be in your best interest to know what people are saying about your products and services.

**MS: What are some of the potential drawbacks of using social media in a business context?**

**DL:** Without internal accountability and tight control of messaging, inaccurate or contradictory statements about your company are likely to be disseminated, resulting in confusion, frustration or misinterpretation on the part of your customers. The Internet (social media included) is a freewheeling environment where information, once released, can't be taken back. What appears online is out there forever, in the form of cached or archived Web pages and as a result of users cutting and pasting your content into their own websites. You can control the release of information, but that's where your authority (in most cases) ends.

These concerns are even greater for publicly traded entities. Despite growing encouragement by stock exchanges for companies to post financial information and filings online, certain material statements (or statements that may be perceived as material) might run afoul of SEC regulations, financial disclosure requirements or other exchange rules. In a recent case, an executive of a publicly traded corporation distributed real-time Twitter updates during an analysts' call, thus passing on to his "followers" information that, while accurate, did not include the standard cautions that must accompany financial performance reports and projections.

Another thing to keep in mind is the time commitment. Don't come to the game if you're not ready to play. Creating and maintaining an effective presence through social media, monitoring your brand, and responding to and engaging with customers all require dedicated resources.

In this arena, keeping content fresh is critical. For example, nothing says "out of touch" faster than a Twitter update that is weeks old. A recent analogy is the Internet. In the mid-1990s, creating a simple home page was enough to establish a Web presence; now, companies must entice visitors to their websites with constantly updated information, push messaging and interactive features. As customers get more sophisticated in their search for and use of information, they are demanding equally sophisticated tools from the businesses they patronize, both online and off.

As I noted earlier, you should also know your company, as well as your audience and the tools they use to learn about your company. Social media sites are not interchangeable or one-size-fits-all, nor do they make sense for every type of customer or business. Don't jump on the bandwagon solely for fear of being left behind; instead, pursue social media only if you determine it is a good fit for your company, your customers and your overall business strategy.

**MS: If a company is interested in exploring social media, what is the best way to**

**get started?**

**DL:** First, do some of your own research and then create an internal user policy. It is likely that your employees are already using these tools and referring to your business. Therefore, an internal user policy can help you control what is being said and by whom.

Next, develop a marketing strategy. The social media campaigns that tend to fail first and fastest are those that begin without a clear sense of purpose and execution. Answer the "why" question to your satisfaction; then develop and implement your plan of action.

You should also identify who will be responsible for the social media effort and assign accountability. In some cases, your marketing department may be the smartest choice, since these resources are generally the most knowledgeable about what can and cannot be said about the company. They can also make sure that the information being disseminated via social media presents your company and its products or services in the best light possible and does not work at cross purposes with other marketing and PR efforts. Reach out to your human resources and technology professionals as well. Aspects of social media have significant implications for both.

Finally, consider working with a reputable outside provider that specializes in social media. Even in this new and rapidly changing arena, experience counts.

If you have questions about incorporating social media into your business strategy or would like additional information on MoreVisibility, visit [www.morevisibility.com](http://www.morevisibility.com) or contact Danielle Leitch at 561.620.9682 or [dleitch@morevisibility.com](mailto:dleitch@morevisibility.com).

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