# Making Sense of Social Media

What Your Company Needs to Know

November 12, 2009





The business of relationships.34

## Sarah Needleman Reporter, Wall Street Journal

Kathy Ewing

Assistant General Counsel
Benjamin Moore, Inc.

Douglas Wood
Partner, Reed Smith





http://www.youtube.com/watch?v=fVXKI506w-E





### Agenda

- Defining Social Media
- Understanding Social Media
  - Consumer Power
  - Case Studies
    - Starbucks
    - United Airlines
    - Best Buy
  - Social Media in Action Employment
  - The Regulatory Side
  - The Business Side
    - Benjamin Moore's Migration to Social Media
    - What's Making the News
- What You Need to Do
- Q&A





## Social Media

"...activities, practices and behaviors among communities of people who gather online to share information, knowledge, and opinions using conversational media."





## Social Media

"...activities, practices and behaviors among communities of people who gather online to share information, knowledge, and opinions using conversational media."

175,000 New Blogs are created every day (WSJ, July 16, 2008)





































































flickr eventful















































































### New Media

- User Generated Content
- Podcasts and Webcasts
- Advercasting
- Blogs, Vlogs, RSS Feeds
- Key Words and Metatags
- Social Networking
- Virtual Communities and Reality
- Streaming Music and Video
- Interactive Gaming
- Pre-Roll/Post Roll, Interstitial Advertising
- Search Engine and Optimization Revenue Model
- Viral and Buzz Marketing
- Twitterjacking
- Cybersmearing

- Embedded Players, Gadgets and Widgets
- Opt In and Opt Out
- · Promercials
- Microsodes, Mobisodes
- Digital Downloads
- CGI and Video FX
- DVRs/On-Demand Programming
- Satellite, Wired, Unwired, WiFi
- Favorites and Bookmarks
- · SMS, WAP
- Advergaming
- Astroturfing
- Typosquatting
- e-[fill in the blank]





# INTERNET USAGE STATISTICS The Internet Big Picture

World Internet Users and Population Stats

WORLD INTERNET USAGE AND POPULATION STATISTICS											
World Regions	Population ( 2009 Est.)	Internet Users Dec. 31, 2000	Internet Users Latest Data	Penetration (% Population)	Growth 2000-2009	Users % of Table					
<u>Africa</u>	991,002,342	4,514,400	65,903,900	6.7 %	1,359.9 %	3.9 %					
<u>Asia</u>	3,808,070,503	114,304,000	704,213,930	18.5 %	516.1 %	42.2 %					
<u>Europe</u>	803,850,858	105,096,093	402,380,474	50.1 %	282.9 %	24.2 %					
Middle East	202,687,005	3,284,800	47,964,146	23.7 %	1,360.2 %	2.9 %					
North America	340,831,831	108,096,800	251,735,500	73.9 %	132.9 %	15.1 %					
Latin America/Caribbean	586,662,468	18,068,919	175,834,439	30.0 %	873.1 %	10.5 %					
Oceania / Australia	34,700,201	7,620,480	20,838,019	60.1 %	173.4 %	1.2 %					
WORLD TOTAL	6,767,805,208	360,985,492	1,668,870,408	24.7 %	362.3 %	100.0 %					



























### Second Life's First Millionaire

Posted by: Rob Hof on November 26

Anshe Chung, the virtual land baroness that I highlighted in my cover story earlier this year, My Virtual Life, has apparently become the first millionaire in Second Life.

That's millionaire in real U.S. dollars. Her real-world persona, Ailin Graef, figures her net worth based on her substantial in-world land holdings, cash in "Linden dollars," which can be converted to real cash, as well as virtual shopping malls, store chains, and even virtual stock-market investments in Second Life businesses. As the release explains:

Anshe Chung's achievement is all the more remarkable because the fortune was developed over a period of two and a half years from an initial investment of \$9.95 for a Second Life account by Anshe's creator, Ailin Graef. Anshe/Ailin achieved

her fortune by beginning with small scale purchases of virtual real estate which she then subdivided and developed with landscaping and themed architectural builds for rental and resale. Her operations have since grown to include the development and sale of properties for







### Telegraph.co.uk

Hon	ne N	ews	Sport	Finance	Lifestyle	Commer	t Trav	vel	Cultu	ire	Tec
UK	World	U	K Politics	Celebrities	Obituarie	s Weird	Earth	Sci	ience	Hea	alth No

HOME > NEWS > NEWS TOPICS > HOW ABOUT THAT?

### Woman arrested after virtual murder

A woman in Japan has been arrested after she murdered her virtual husband in a computer game.

By Ben Leach

Published: 9:23AM BST 25 Oct 2008

The 43-year-old piano teacher became so angry about a divorce from her online husband that she logged on to the MapleStory computer game with his password and deleted his digital persona.







# Rules of Engagement for Social Media The New Legal Perspective





# What are the basics of social media engagement?

Where in the process do the legal risks lie?





# The Marketplace Dynamic

- · Enable Conversations
- ·Influence Conversations
  - ·Monitor Conversations
  - ·React to Conversations
- ·Monetize Conversations





# One last rule for lawyers (The Social Media Bible)

# PARANOIA HAS A PURPOSE





# But can you control it?

Do lawyers need to rethink their approach?





# Case Studies









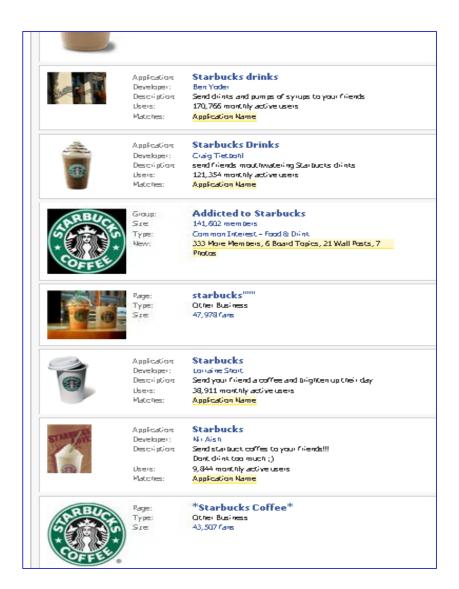




# The Official Starbucks Page +4,700,000 Fans





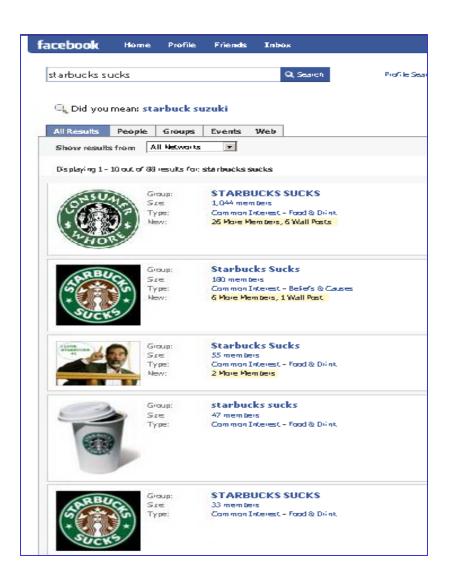


But exactly who are these people??

(over 500 sites)







# Or these people ??

(711 sites)







- •Starbucks' YouTube Channel: nearly 3,500 subscribers and 46 videos;
- •Starbucks' Flickr group: 4,370 members and over 14,000 photos, with a search yielding over 246,000 results;
- Nearly 300,000 people are following Starbucks on Twitter;
- On MySpace, a Starbucks search yields only 500 results.
- ·And Employees? Be careful what you ask for.













### www.davecarrollmusic.com

5,595,622 Views





As of May 2009, the U.S. Department of Transportation rated UAL eleventh among 19 US carriers in lost, damaged, delayed or pilfered baggage with 3.67 complaints per 1,000 passengers. [57] In July 2009, a viral music video, "United Breaks Guitars" [58] was released about a disputed damaged baggage claim with the airline. United said it would like to use the video as a staff training tool to help the company improve its internal "corporate culture" relating to its customer relations in that area of its services. [59]







http://www.youtube.com/watch?v=-QDkR-Z-69Y&feature=PlayList&p=5E51A2ADFE943B73&playnext=1&playnext from=PL&index=31









united breaks guitars

Search

Home Videos Channels Shows

"united breaks guitars" results 1 - 20 of about 696

Channels

**Playlists** 

Sort by: Relevance ▼ Uploaded: Anytime ▼



#### United Breaks Guitars

SONG 2 is posted. Click here! www.youtube.com There is now a video response: www.youtube.com Full Story: www.davecarrollmusic.com - In the spring ...

\*\*\*\*\* 4 months ago 5,967,701 views sonsofmaxwell



#### United Breaks Guitars Song 2 HD

www.davecarrollmusic.com and the saga continues On Tuesday August 5 we reconvened at the field behind the Station 41 fire department in Waverley ...

\*\*\*\*\* 2 months ago 525,610 views sonsofmaxwell



#### STATEMENT

on: davecarrollmusic.com curveproductionsinc.com ... "United Breaks Guitars" United Guitars "Dave Carroll" "Sons of Maxwell" "Lara Cassidy" " ...

\*\*\*\* 4 months ago 405,810 views sonsofmaxwell



#### Hitler Finds Out United Breaks Guitars

www.johnennis.tv - Dave Carroll is not the only music fan upset at United Airlines. (See his saga here: www.youtube.com

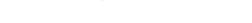
\*\*\*\*\* 3 months ago 37,078 views ShootFirstInc



#### Taylor Guitars Responds to "United Breaks Guitars"

Bob Taylor lends his support to Dave Carroll and guitar players everywhere. Taylor has had an artist relationship with Dave for several years now ...

\*\*\*\*\* 4 months ago 216,436 views TaylorQualityGuitars



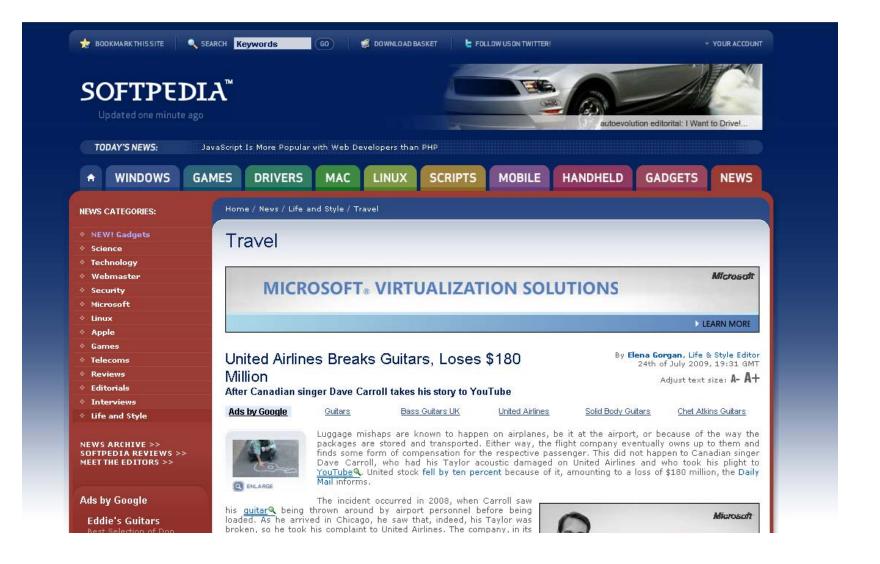


### United Breaks Guitars, Corporate Response Parody

At United We Love Guitars! United Airlines hires Dave Carroll to write and produce a iingle for their new "Guitar Friendly" carriage policy (spoof...















### United Breaks Guitars Song 2 HD

www.davecarrollmusic.com and the saga continues On Tuesday August 5 we reconvened at the field behind the Station 41 fire department in Waverley ...

\*\*\*\* 2 months ago 525,610 views sonsofmaxwell







### United Aggressively Responds to "United Breaks Guitars Part 2"





Yes, these videos have struck a chord with all of us here.

The second video is suggesting we do something that we've already done — and that is to provide our agents with a better way to escalate and respond to special situations.

While his anecdotal experience is unfortunate, the fact is that 99.95 percent of our customers' bags are delivered on-time and without incident, including instruments that belong to many Grammy award-winning musicians.

United spokesperson Robin Urbanski





I'm sure this was a form letter that was sent out to everyone who commented, but that's ok. ... Still, the personalized effort to respond to tweets with this was the key. It not only responds to the issues in Dave's second video, but it also throws out some cold hard facts on the number of lost bags to help change the focus of the message. It probably has altered the conversation to some extent, and I don't think United will see anything like the backlash they saw after Dave's first effort.

Brett Snyder, Blogger





# Barbara Boxer

United States Senator from California







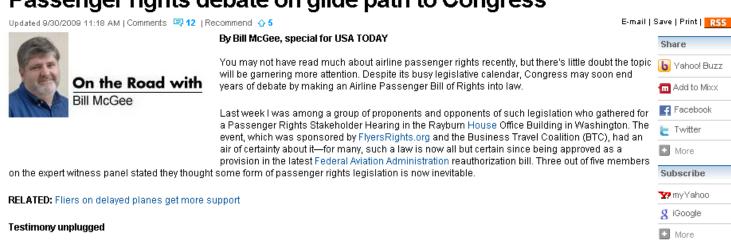






#### Travel » Columns & Blogs

#### Passenger rights debate on glide path to Congress



It was a dynamic morning, highlighted by testimony from passengers who suffered through abysmal treatment by airlines during irregular flight operations in recent years. This included Kate Hanni, the executive director of FlyersRights.org, who has become the face of this movement. The airline industry's primary trade organization, the Air Transport Association of America, was invited but choose not to participate. However, cautionary words about the unintended consequences of legislating airline service were heard from industry and academic critics.

The keynote address was delivered by Sen. Barbara Boxer (D-Calif.), who declared the battle for Passenger Rights won, and asserted the bill would soon become law: "It will happen." We were even entertained by Dave Carroll and his band, who offered an unplugged version of United Breaks Guitars, the mishandled baggage anthem that has generated 5.6 million views on YouTube.

# S-213 Airline Passenger Bill of Rights Act of 2009

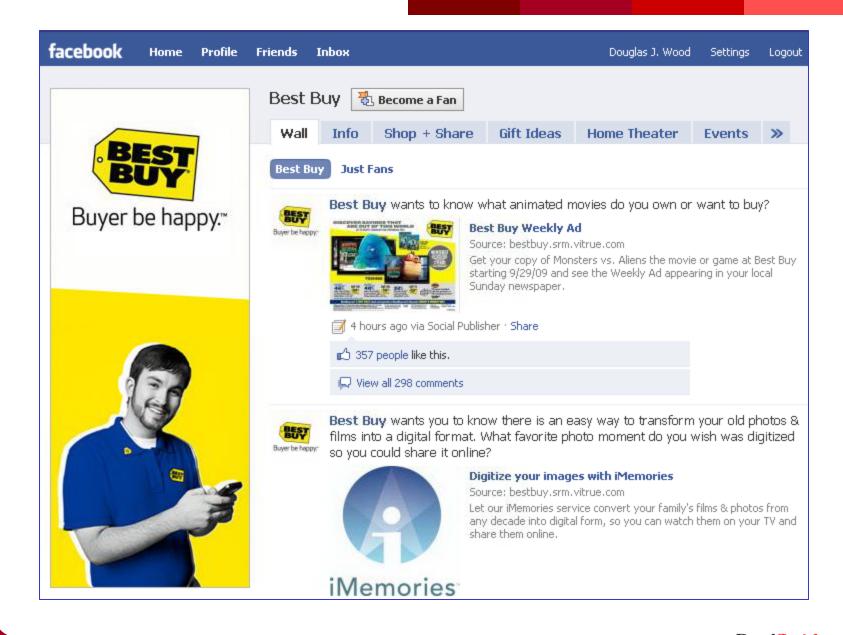
















# "What do you think about offering Bestbuy.com in Spanish?"

- Tracy Benson, Senior Director, Interactive Marketing and Emerging Media: "It was a landmine. There were hundreds of negative responses flowing in, people posting racist, rude comments. Our contact center was monitoring this, and they were crying, waiting for a positive comment to come in."
- Positive comments didn't come.





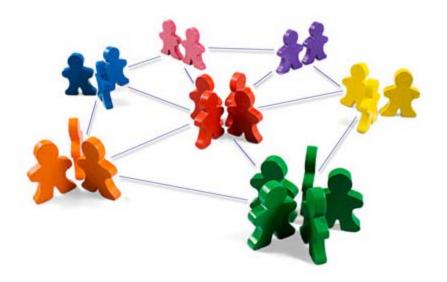
# "What do you think about offering Bestbuy.com in Spanish?"

- Benson: "For right or wrong, we decided to take it down and see if the [the commenters] went away-and they did."
- Benson: "We have to learn how to respond when negative comments are coming in."





# Social Media in Action



# Employment Law





- How, and if, to use social media in the hiring process
  - Job Postings
  - Background checks
  - References





- Employee Use Of Social Media At Work
  - Disclosure of confidential information
  - Copyright violations
  - Harassment
  - Defamation
  - Time-waster





- Employee Use Of Social Media Off Duty
  - General rule: At-will employment; exceptions unlawful discrimination and public policy
  - \*\*\*But remember: some states have laws protecting lawful off-duty conduct
  - What about whistleblowers? NLRA?





- Blogging: What can happen and what to do?
  - How to have a post removed
  - Identifying an anonymous poster





- What's an employer to do?
  - Re-visit and revise your policies
  - Ensure consistent discipline for infractions
  - Confidentiality and Non-Disclosure Agreements
  - Monitor and be aware





# This isn't just about IP and Privacy. It's multi-disciplinary. Think holistically.

- •IP Protection and Litigation
- Data Privacy and Protection
- •Global Regulatory
- Advertising & Marketing
- •Corporate & Securities
- •Insurance Recovery
- •International Regulation

- •Tort Claims
- Attorney Client Privilege
- Employment
- Products Liability
- •Life Sciences
- Commercial Litigation
- •HIPPA





# Enter the Regulators...







#### Word Of Mouth Advertising Online Gets Gagged

By Dianne See Morrison - Mon 28 Apr 2008 03:23 AM PST

Brands hoping to promote their products online through word of mou UK consumer-rights restrictions that go into effect May 26. AdAge reg ambassadors or seed viral ads, while "falsely representing a disclose they are being paid to do so.

A number of campaigns from high profile brands purporting to be fro I want for Christmas is a PSP" viral campaign had consumers fooled of the characters in the video were created by real life fans. When it its very real agency Ziaptoni, the electronics giant was forced to apol possibility of fines and prison times for those caught breaking the rule

Still, the damage may already be done, with consumers aware that s YouGov survey, social nets including Facebook and YouTube are amount the population.

Moreover, as much as brands may be trying to put a positive spin on shows that **online communities, blogs and message boards are** Mad.co.uk reports that the study—looking at the influence online and people who had used online communities, contacts and blogs said the opinions from family and friends (29 percent) and independent review







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#### SEC To Recognize Corporate Blogs as Public Disclosure. Can We Now Kill the Press Release?

by Brian Solis on July 31, 2008

80 Comments 2 retweet



For several years, Sun CEO, Jonathan Schwartz has lobbied the SEC to allow disclosure of financial information through corporate blogs. In a landmark announcement , it seems that Mr. Schwartz may indeed get his wish, and with it, a historical decision that could break the age-old shackles that bound businesses to traditional media and distribution channels in order to satisfy full disclosure.







- ·Scheduling public hearing on the use of the Internet and social media tools by the manufacturers of prescription drugs, medical devices, and prescription animal drugs.
- •Seeks input on the use of the Internet and interactive social media tools such as blogs, wikis, and social networking sites in the promotion of regulated products and in the reporting of adverse event information.
- Opened a docket on this issue, where comments may be posted until February 28, 2010.







- FTC Workshop, December 1-2, 2009: "Can the News Media Survive the Internet Age? Competition, Consumer Protection, and First Amendment Perspectives."
- FTC Workshop, December 7, 2009: "Privacy challenges posed by the vast array of 21st century technology and business practices that collect and use consumer data."







- Social Networking
- Cloud Computing
- Online Behavioral Advertising
- Mobile Marketing
- Collection and Use of Information by Retailers, Data Brokers, Third-Party Application
- Behavioral advertising
- Privacy
- Direct marketing







#### An incisivemedia website

#### LAW.COM LEGALTECHNOLOGY

#### Law.com > Legal Technology

#### FTC Ready to Cut 'Astroturfing'

By Tresa Baldas The National Law Journal September 21, 2009

#### Post a Comment

The controversial promotional practice of "astroturfing" -- flooding the Internet with bogus product reviews -- is about to hit the dirt.

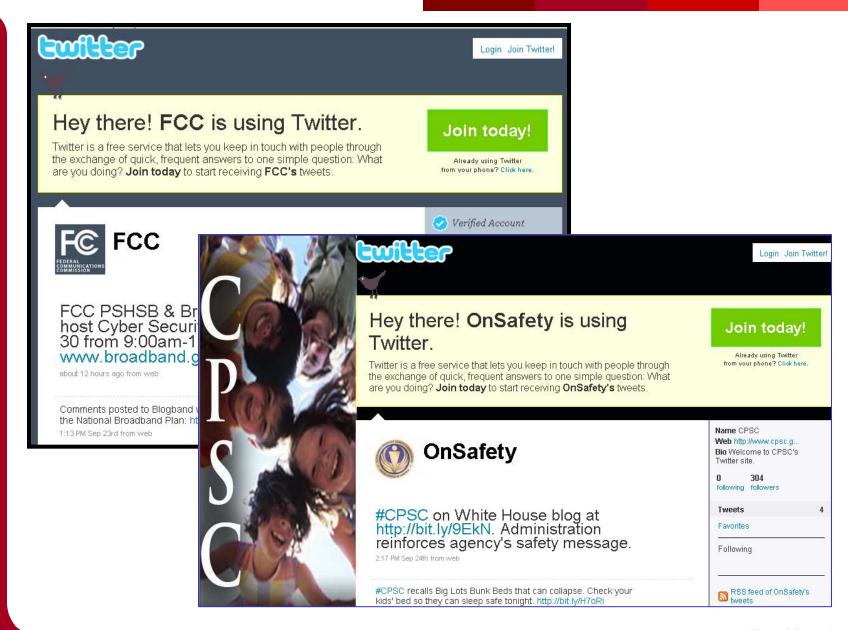
The Federal Trade Commission is apparently on the brink of updating its 29year-old guidelines on product endorsements. While that threat has been looming for more than a year now, advertising lawyers say final rules are expected to be announced before the year is up.

And the FTC, lawyers warn, will be making one thing clear: Phony online reviews will not be tolerated.

The revised guidelines, who go beyond astroturfing to address other product endorsement issues, have everyone from mommy bloggers to health care product promoters in a tizzy, all fearing that what they say about an item











#### Matrix of federal government social media profiles and accounts

Government Agency	Facebook	YouTube	Twitter	Blog
Agriculture (Food Safety) USDA	No Facebook	USDA	FoodSafety, FSWGListens	No blog
AIDS	AIDSgov	AIDSgov	AIDSgov	blog.aids.gov
Air Force, US	No Facebook		US_Air_Force	No blog
America	No Facebook	AmericaGOV	No Twitter	No blog
Americorps	No Facebook	No YouTube channel	Americorps	No blog
Army	No Facebook	SoldiersMediaCenter	USArmy	No blog
Census	No Facebook	USCensusBureau	No Twitter	No blog
Center for Disease Control — CDC	No Facebook	CDCStreamingHealth	No Twitter	No blog
Central Intelligence Agency CIA	CIA	No YouTube channel	No Twitter	No blog
Citizenship and Immigration Services	No Facebook	No YouTube channel	USCIS	No blog
Coast Guard	No Facebook	USCGimagery	USCoastGuard	USCG
Commerce DOC	No Facebook	No YouTube channel	No Twitter	No blog
Congress	No Facebook	No YouTube channel	HouseFloor	No blog
Customs Border Patrol	No Facebook	No YouTube channel	CBP_update	No blog







#### Central Intelligence Agency 4 Join

Photos

John Paul Llenaresas can i be a CIA agent?

November 3 at 9:53pm · Report

Spherical Sun Try brushing up on your informant skills.

Sat at 8:26pm · Report



Soim Press Alert in Romania: STS or RNC, at Romanian President command, has

www.traianbasescu.org for all the computers from our country during our election campaign for Romanian Presidency.

November 3 at 2:56pm · Report



#### Soim Press Now

you can read in english, spanish, french, russian, chinese, etc all the main news from Romania, 24/7 updated thanks to SOIM Press on http://soim.ro ... just click the icons from the website

October 29 at 12:50pm · Report



Soim Press Romanian Intelligence Service - Party bodies directly subordinated Romanian President Traian Basescu.

Yesterday, Deputy Intelligence, Florin Coldea, changed according to General John Stephen, head of the General Directorate for Prevention and Combating of Terrorism Intelligence, show, blog, Sorin Rosca Stanescu, A "very s...Read More -

October 27 at 3:09am · Report



Lupert Trepul I'd like to set up some coup d'etats in poor countries with lots of recources. So how do I go about this, I mean where do I start? October 19 at 6:25am · Report



Дмитрий Сантович Мардйенов May I join it?

#### Information

Category:

Organizations - Volunteer Organizations

Description:

Organisasi para Agent yg dapat memecahkan sebuah misteri dengan cepat & tepat. Lebih Cepat Lebih Baik!!!!!!

Privacy Type:

Open: All content is public.

#### Members

6 of 152 members

See All















Krasnigi



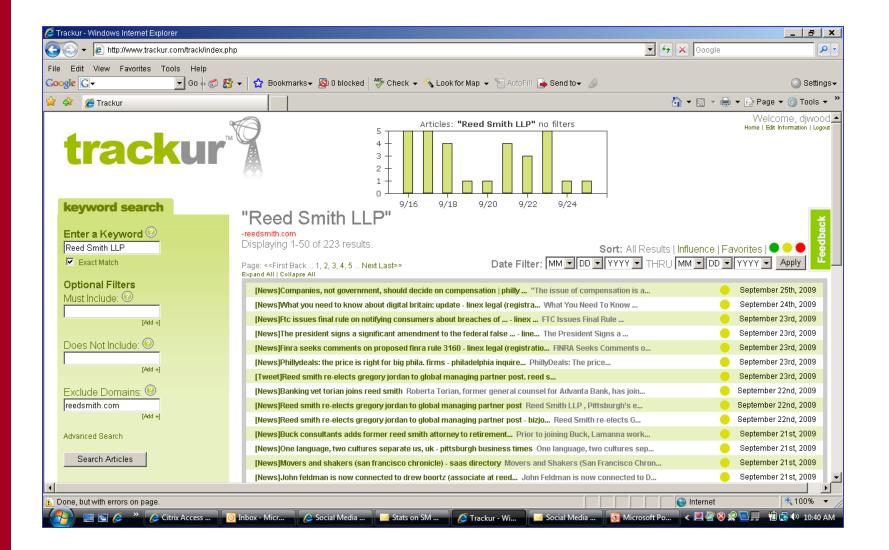
Douglas J. Wood Settings Logout



# trackur















# Benjamin Moore & Co. steps into the Social Media Space









# Benjamin Moore & Co. is:

- "Benjamin Moore's prime objective: first-class paint at all times. Better tomorrow than yesterday."
  - Warren Buffett
- Manufacturer of premium architectural paints
  - Aura®
  - Natura®
  - Regal®
  - ben®
- Sold through a network of over 4000 independent retailers
- More than 125 years of product innovation
  - Working smart and green. We're committed to developing products that minimize our impact on the environment.
- Eight research and development labs





# Traditional web presence

- BenjaminMoore.com
  - Informational site targeted at three audiences
    - Home Owners
    - Contractors
    - Architects and Designers
- MyBenjaminMoore.com
  - Portal for authorized retailers featuring
    - Advertising materials
    - Order Color Chips, Color System Information
    - Invoice information





# Why Social Media?

- 2009 Business Climate
  - Housing Market Decline (New home construction down, existing sales at record lows, home improvement spending down)
  - Financial crisis
  - Advertising dollars decline
- Why Social Media?
  - Looking for ways to reach new, techno-savvy, demographic
  - Talk to people where they are
  - Build brand awareness, loyalty, and trust





### April 2009 - Social Media Marketing Tactics

- Social Media sites
  - Facebook
  - Twitter
  - YouTube
- Blogs
  - Paint Guy
  - Living in Color with Sonu
- iPhone application

- Other
  - Text coupons
  - Viral games
  - Contests



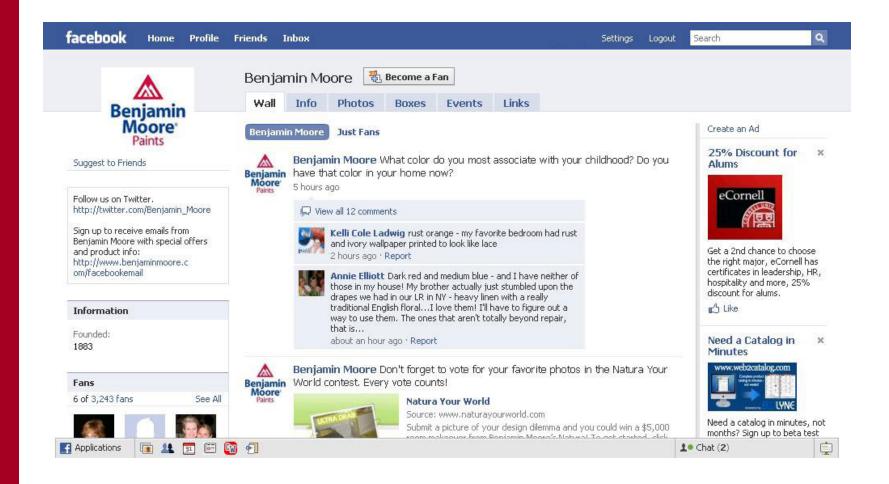


# Steps Undertaken Prior To Launch

- Updated dot-com Terms and Conditions and Privacy Policy
- Issued Corporate Social Media Policy
- Developed Social Media Response Procedures
- Designed Facebook & Twitter Pages
- Customized a branded YouTube channel
- Launch! July 2009











## YouTube - The ben® Color Capture™ app for iPhone®









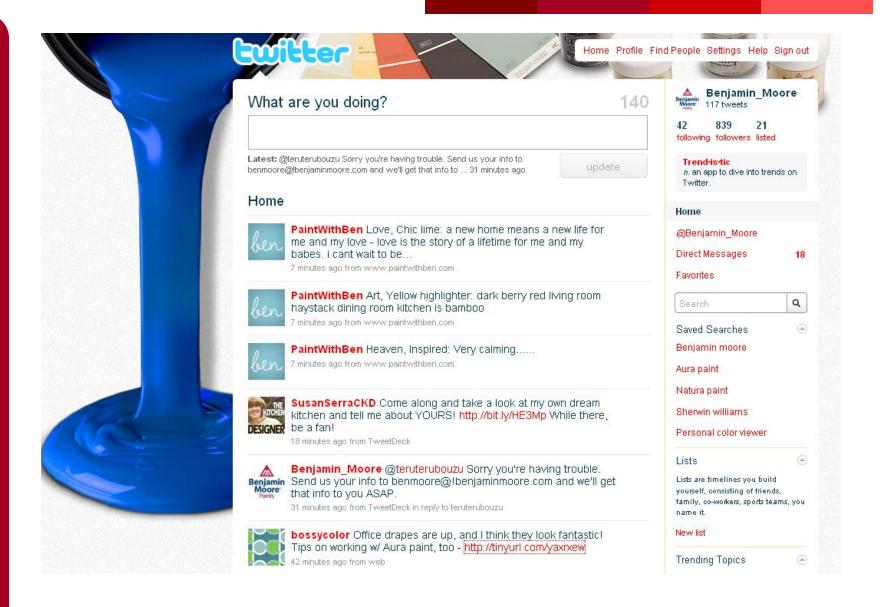






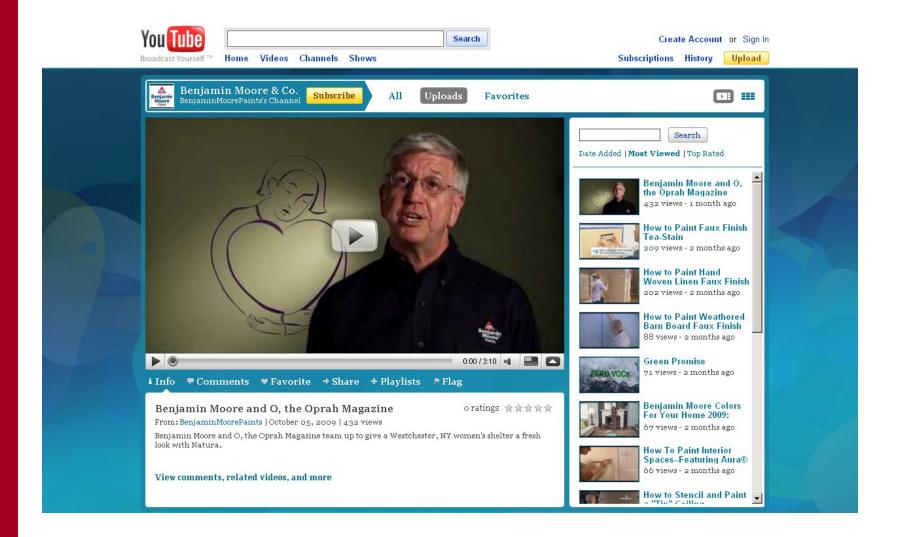
















# C O L P R



My world is colorful, in more ways than one. It's intense, vibrant, saturated, and .... READ MORE

view video: A Color-Filled Perspective



take-away color my favorite new color combinations

subscribe to this blog's feed November 09, 2009

#### Home Coming at Benjamin Moore

I'm hooome! For those of you who've found my blog through Benjamin Moore, **WELCOME** to Living In Color! Let's get this party started! Over the lifetime of the blog, I've been creating a path of colorful stories. I'm thrilled to say that <u>Benjamin Moore</u> was excited enough about our colorful conversations to link over to the blog!



Make your own Lime Sherbet Party Punch with Paula Deen's recipe.

Check out the videos on the right, search for anything colorful using the search box on the left, and make sure to browse through our blog friends for even more inspiration.

If you have specific questions or ideas about color, please drop me a line and let me know. Color is everywhere, so every question counts! In the meantime, take a look around, make yourself at home, and let me know what you think. Here are a few of my favorites to get you started.

Fall Color Take Away

#### VIDEO ARCHIVES



the character of color: black



urban archaeology reveals colorful new tiles



the character of color:green



architecture and the city festival--San Francisco







# "Don't do anything online that you wouldn't do offline."





#### Lessons Learned

- You can't control the online conversation
- People trust each other much more than they trust advertisers and this trend is increasing
- Social Media is effective at building trust
- Our customers are passionate about color and our products
- Our customers can be our Brand Evangelists
- We are able to implement this plan with limited resources





Avery, Penn Hall, Ve.; Martin became an encutive of the Uni-Baker, Carrelle High, Carrelle, versity, in Marris, 1906, he has III.; Mildred Barry, Micro High, fertualited the pullsten of the His Mildred Barry, Milerer High, wheel, selected the faculty, choose Borganyeith, Ky.; Edward Barrer, which selected the teacher and an analegement the response and an analege Birelle, Hirsgrade M. A. (immedial melecialisms of the fa-

# THE WALL STREET JOURNAL.

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### So What Do You Need to Do Now?

- Learn the platforms
  - Surf the sites
  - Join Facebook and LinkedIn
  - Review each sites terms and conditions





### So What Do You Need to Do Now?

- Audit your company's social media programs
  - •What are you doing?
  - •Do you have any customized pages? If so, do you have special contracts with the site?
  - •What are your employees doing?
  - •What are your competitors doing?
  - •What are your customers doing?





# So What Do You Need to Do Now? •Consider adopting a social media policy for both internal and external communications

- Be careful to keep on strategy
- Don't ban what you can't stop
- •Engage, participate, influence





### So What Do You Need to Do Now?

- Monitor legal developments
- •Reed Smith's White Paper on Managing Legal Liabilities in Social Media
- Adlaw by Request (<u>www.adlawbyrequest.com</u>)
- Legal Bytes (<u>www.legalbytes.com</u>)





So What Do You Need to Do Now?

# Engage in the Conversation





# Social Media Blues

http://www.youtube.com/watch?v=9T37q9Lx6sw







# Questions



