



cutting through complexity™

Social media – A risk or an opportunity for business!

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12,000+ NEW ADS POSTED ON craigslist

370,000+ MINUTES VOICE CALLS ON skype

98,000+ TWEETS

320+ NEW twitter ACCOUNTS

100+ NEW Linked in ACCOUNTS

1 NEW ARTICLE IS PUBLISHED

6,600+ NEW PICTURES ARE UPLOADED ON flickr

50+ WORDPRESS DOWNLOADS

695,000+ facebook STATUS UPDATES

125+ PLUGIN DOWNLOADS

79,364 WALL POSTS

510,040 COMMENTS

168 MILLION EMAILS ARE SENT

694,445 SEARCH QUERIES

1,700+ Firefox DOWNLOADS

1,500+ BLOG POSTS



Google Search

What has happened to the world ...?

Some insights

“ [In 2004], Facebook didn’t exist; Twitter was a sound; the cloud was in the sky, 4G was a parking place, [tablets were for headaches] ... And Skype for most people was a typo. All that has changed in just the last 7 years. ”

*Thomas L. Friedman
(NY Times columnist and Pulitzer Prize winning author)*

“More than 845 million people use Facebook. If it were a country, it would be the third most populated country in the world.”

*Mark Zuckerberg
(Co-founder, CEO & President of Facebook, Age 27, Net worth – USD 4 billion)*

What exactly is Social media...?

Common usage of Social media.



Social Networks



Bookmarking Sites



Social News



Media Sharing



Microblogging



Blog Comments and Forums



Social networking

The growing trend ...

	Mar 2007		Oct 2011
Number of social network users	430 million	➔	1.2 billion
% of online population using social networks	56.4%	➔	82.4%
Dominant method of online communication	e-mail	➔	Social networks

Source: comScore

Facebook

Facebook leads the pack both in Europe and abroad ...



**Facebook world
user ranking**

**Facebook
penetration
(% of pop.)**



#62

36%



#42

36%



#11

38%



#10

28%




#7

49%

Source: www.socialbakers.com

Social media in Slovakia

Who are the top social networks in Slovakia today ?

Top 5 in Slovakia		% of social network users
	Facebook	49%
	Pokec.sk	32%
	Windows Live	6%
	Twitter	4%
	MySpace	4%

Source: www.ivo.sk

The opportunity is enormous ...?

Key characteristics ...

Social networking is a “marketing revolution”

- € Lower cost means greater competition
- € Unlimited access for all
- € Flexible platforms, gimmicks and links
- € Global reach – North, south, east and west
- € Interactivity far outweighs static marketing of the past
- € Its impact is easily measurable

The opportunity is enormous ...?

Example corporate success stories



American Express has created a forum just for small business owners and leaders and launched a massive contest for them through Facebook.



Nearly 100% of the pre-owned BMW buyers and 75% of the new BMW buyers originate from the web with facebook domains being a dominant driver.



Old Spice created a series of videos through YouTube presenting different versions of the "ideal man" changed by using the product. Over 23 million views.

The risks are clear...?

One click and the social network takes over irreversibly

With one click, information is communicated around the world on multiple platforms and accessible to multiple users.

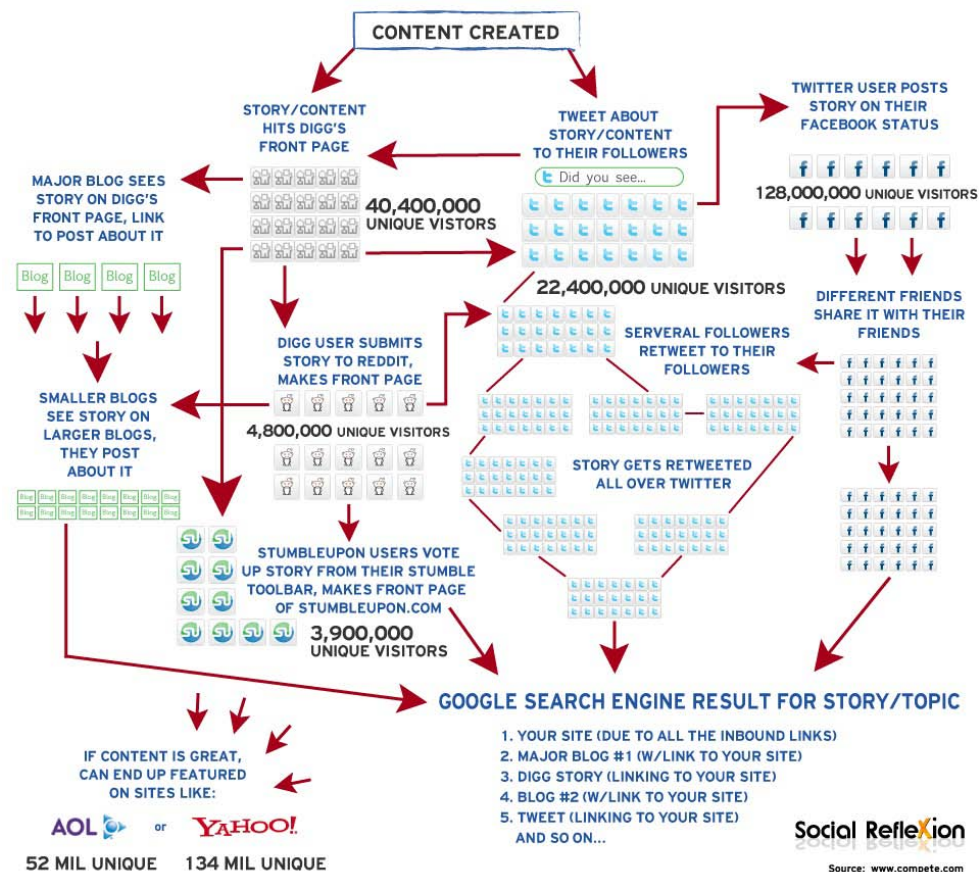


If positive, the marketing impact is enormous.



If negative, the consequences can be fatal.

“The butterfly effect” ...



The risks are clear...?

From the worlds of politics and business

Overthrow of Egyptian premier Mubarak

While the underlying reasons for social and political tension in Egypt are clear, it was a Facebook page that started the initial revolt...

Employees fired at Virgin Atlantic

Last week saw Virgin Atlantic fire 13 employees for their comments on Facebook. This week British Airways has suspended some of its staff for similar behavior.....

Facebook photo stolen

An American family posted their Christmas photo on their facebook page. A friend visiting Prague found their photo on billboard advertisements for a food store in Prague...

Job-applicants for multi-national criticized online

One HR director posted belittling comments about the candidates he was interviewing resulting in huge backlash against the company...

The risks are clear ...?

Primary risk areas identified by KPMG survey



Employees marketing themselves



Loss or exposure of confidential or proprietary information



Embarrassment and damage to brand or reputation



Increased exposure to litigation



Violation of regulatory rules



Exposure to cyber attacks

The remedy is not simple

Best practice requires a program led from the top

Social media
governance for
strategic decision making

Social media
governance for
the “voice of the
company”



Social media
governance for the
workforce

The remedy is not simple

An integrated social media corporate governance program

Strategic decision making

- How to listen and respond to marketplace chatter of our products/services
- How to mitigate reputation, data loss and regulatory risks

The “voice of the company”

- Define how social media will be used
- Define target audience
- Define process and controls

The workforce

- Employee policy on proper use of company and personal devices
- Guidelines on disclosure of company matters
- Training on social media technologies
- Monitoring of workforce postings

In summary

Reflections

- ✓ Social media is the communication of the future
- ✓ With a clear political and economic impact
- ✓ A single touch of a button is all powerful
- ✓ Data is today's most valuable commodity
- ✓ Make sure you tap into it, and not lose it
- ✓ Best practice dictates an integrated approach led from the top



“ Social media is an opportunity **and** a risk of your business – make sure you don't miss either of them.”