

EXPLORE: Online and Interactive Exercises

1. Using online sources, research Facebook's Open Graph initiative. Make a list of "pros" and "cons" regarding these changes from the viewpoint of a Facebook user.
2. Using Google's blog search tool, identify some active blogs on a topic of interest to you and read a few posts. Leave comments in the response section (if available). See if the blog author or other readers reply.
3. Set up an account on two different RSS readers (e.g., Digg Reader and Feedly.com) and use them to subscribe to some blogs that are of interest to you. Prepare a report or presentation comparing the strengths and weakness of each application.
4. Using articles you can find online, prepare a report on the economic activity that takes place on Second Life. Describe how people make money in the virtual world and identify the opportunities and challenges associated with making a living via Second Life.
5. If you have an account on Twitter, download Tweetdeck, an alternative interface for Twitter. Use Tweetdeck and prepare a brief report on the advantages or disadvantages of using this program.
6. Visit the LinkedIn page for college students: students.linkedin.com. Using the information on this page, create a LinkedIn account and begin building your professional network. Search the Internet for additional tips on using LinkedIn to find jobs and prepare a brief report on your findings.
7. Using a search engine, find four examples of mashup applications. Prepare a report describing each one. If possible, identify the website(s) where data are pulled from to create the application.
8. Create an account on diigo.com, the social bookmarking site. Actively use it to tag and categorize webpages that you want to remember for future viewing. Use the search engine on diigo.com to find pages that other users have tagged. Compare the effectiveness of your searches to similar searches using Google and Yahoo.

ANALYZE & DECIDE: Apply IT Concepts to Business Decisions

1. Use socialmention.com to evaluate the nature of conversations people are having about three telecommunications companies: AT&T, Verizon, and Sprint. Based on the four metrics provided by Social Mention, decide which company is viewed most favorably and least favorably by the marketplace. Using Twitter search, read a sample of tweets where people discuss the companies. Can you draw any conclusions as to specific reasons why the companies are viewed favorably or unfavorably?
2. Your boss would like you to recommend a free service for storing and sharing documents in the cloud. Create accounts at box.net and dropbox.net. Explore each service so that you understand how it works. Make a recommendation and provide your reasons for the service you select.
3. The supervisor of your department recently read a story about companies that used Second Life to conduct virtual meetings on the service. Create an account on Second Life and spend a few hours learning how to use it. With a handful of other students, arrange to meet in Second Life for a brief discussion. Based on your experience, prepare a recommendation for your supervisor stating whether or not you think using Second Life for meetings would be a good idea. Justify your recommendation.
4. After reading Video Case 7.3 below, get together with two or three other students and brainstorm some ideas for how your college or university could create a viral video campaign. Use the success factors listed in the case to evaluate your ideas. Write up a brief recommendation for your best idea, describing how it performs on each factor.

CASE 7.2**Business Case: Social Customer Service**

In 2008 a little-known musician by the name of Dave Carroll initiated a social media firestorm of bad publicity for United Airlines, Inc. (UAL) after the company refused to pay for damaging his expensive Taylor guitar during a layover at Chicago's O'Hare Airport. After a frustrating year of negotiations with UAL, Carroll

became convinced the company had created a system designed to simply wear down customers to avoid paying claims. As a result, he launched what would become a legendary social media attack on UAL's alleged corporate stonewalling by producing three YouTube videos that went viral, attracting millions

of viewers and generating countless news stories, blog posts, and even a Harvard Business School (2010) business case. (Read the full story and watch the videos at davecarrollmusic.com.)

While Carroll ultimately embarrassed the company into settling his claim, it is clear that United Airlines continues to struggle with not only its customer satisfaction levels, but also its ability to manage the airline's online reputation effectively. That is not the case, however, at several other large companies that are increasingly learning to use social media to engage customers, correct problems, and enhance their brand image through social customer service.

Turning Complaints into Happy Customers

While business organizations were initially interested in social media because of its potential for branding and public relations, many organizations have begun to realize its potential for customer service and product support functions. In fact, a recent study by Forrester Research (2010) shows that customer service activities are the second most common application of social technologies by business organizations (marketing was first). Even excellent companies sometimes make mistakes or fail to completely satisfy customers. Because the cost of retaining a customer is often less than the cost of acquiring a new customer, many organizations invest in customer service operations to assist customers when problems occur. Traditional customer service channels consist of phone (call centers), mail, and in-store support. Today, customers may also use e-mail for such exchanges, and a wide range of social channels including Facebook, Twitter, and YouTube. Furthermore, customers may not complain directly to the company on its official Facebook or Twitter pages. Companies need to be able to identify unhappy customers that share negative comments outside of "official" channels. Traditional wisdom suggests that when consumers have a negative experience with a company, they share it with as many as 10 people. But now, unhappy customers can potentially share their experience with hundreds of people using a single message on social media. Or, as David Carroll learned, the message might reach tens of millions.

The WOW Factor at Zappos

At online shoe retailer Zappos, customer service through all channels is designed to "WOW" customers (Figure 7.16). A 10-person team of social customer service agents is trained and empowered to go the extra mile for customers who contact them through Zappos' official Twitter channel, @zappos_service. Agents have even gone as far as helping customers find the shoes they want at a competing retailer. Zappos agents strive to personalize their service by talking to customers in a normal "voice," sharing their names, and taking whatever time is necessary to address customer concerns. The company does not use scripted responses or policy documents restricting what agents can or cannot say to customers on the company's Twitter customer service channel. The only objective is to WOW the customer. This helps customers feel as if they are dealing with a real person who cares about their needs. The absence of scripted guidelines for assisting customers does not mean Zappos takes customer service lightly. After a lengthy and careful screening process, prospective Zappos agents receive weeks of training and become immersed in its customer-focused culture during their initial stages of employment. Once the agent passes the training program, he or she is actually offered money to quit the company! This is done to ensure that only those agents who truly want to excel at Zappos remain with the company. This approach to customer service is one that extends throughout the company, and reflects Zappos' corporate culture of happiness (see Figure 7.16). As a result, Zappos has earned one of the best reputations for its ability to please its customers, even when mistakes happen.

Comcast Makes a Turnaround with Social Media

Like United Airlines, cable giant Comcast was once the target of many social media public relations disasters. YouTube videos of service technicians falling asleep while on hold with their own customer service call center were embarrassing for



Figure 7.16 Zappos CEOs and co-founders Tony Hsieh and Jenn Lim (shown here) have worked hard to create a culture of happiness across the company, including the customer service team.

© Scott Harrison/Reima Ltd./Corbis

the company. Now, Comcast is considered a pioneer in the area of using social technologies for customer service. Under the leadership of Frank Eliason (now senior vice president of social media at Citibank), Comcast was one of the first corporations to recognize the potential of using Twitter for customer service. Twitter allowed the company to respond more quickly to customer complaints than with traditional channels. In fact, because of the public nature of Twitter messages, Eliason and his team were able to identify upset customers even when they were not directly communicating with the company. By monitoring Twitter for all messages that mentioned Comcast, agents are able to offer assistance to sometimes surprised customers who do not realize the company is interested in helping them solve their problems. Despite Comcast's innovations in social customer service, a quick scan of the Internet will produce evidence that lots of people still grow frustrated with Comcast's inability to deliver cable and Internet service that meets their expectations. But by using social tools to engage customers on the major social platforms, Comcast has made great strides in helping to solve customers' problems when they arise.

Cisco Systems Creates Social Tools for Customer Service

Cisco Systems, Inc. is an American multinational corporation and a market leader in the design and manufacture of computer networking equipment. Cisco not only uses social channels for

customer service, but also leverages its expertise in networking and software development to create applications that other companies can use to provide multiple channel support services to customers. Cisco has developed a social customer service app called SocialMiner. This app makes it possible for companies to take a pro-active approach to social customer service, monitoring conversations on Twitter, Facebook, blogs, and other social media platforms. This makes it possible for service agents to identify and resolve issues as they emerge. The app also stores conversations in a database for later analysis, allowing companies to identify systematic problems and take corrective action to prevent problems from happening in the first place.

Sources: Compiled from March (2011), Reisner (2009), Forrester Research (2010), davecarrollmusic.com.

Questions

1. How does social media represent a threat to companies who limit their customer support services to traditional channels?
2. When customers have a negative experience with a company, what are the various ways they can use social media to tell others about their experience?
3. Explain why companies can no longer afford to limit their customer service to traditional channels (e.g., call centers).
4. What are some of the frustrations customers encounter when seeking customer service support from a company?

CASE 7.3

Video Case: Viral Marketing: Will It Blend?

Founded in 1975, Blendtec is a Utah-based manufacturer of high-quality blenders that typically sell for between \$300 to over \$1,000. While the company's products are perhaps the most expensive on the market, they enjoy a reputation for being among the strongest, most durable blenders available. Part of the reason for Blendtec's reputation is the success of a promotional campaign that *Advertising Age* calls the "the number one viral campaign of all time" (Learmonth, 2010). The campaign has generated more views than any other viral marketing campaign in history.

You can watch the videos at the campaign website: willitblend.com. Or, you can initiate a search on the "Will It Blend" campaign at YouTube, or visit Blendtec's YouTube channel: youtube.com/user/blendteconsumer.

The "Will It Blend?" Campaign

Prior to 2006, Blendtec was relatively unknown outside of the commercial food service equipment industry. That year the company's new marketing director, George Wright, came up with the idea to make videos demonstrating the strength and durability of the blender by grinding up all sorts of unusual things: marbles, a McDonald's Happy Meal, and even a garden rake. The videos, featuring company founder

Tom Dickson in a white lab coat and goggles, were posted to YouTube and quickly generated millions of views as people shared them with others in their social network. The success of the early videos inspired the company to make additional episodes, resulting in over 130 videos. Some of the more outrageous episodes show Dickson grinding up iPhones, hockey pucks, a video recorder, an iPad, Bic lighters, and even a stun gun.

The Will It Blend? viral video campaign was effective because it did well on success factors that experts have identified as essential for viral marketing campaigns.

Create Content that Appeals to a Wide Audience

By definition, viral campaigns involve millions of people viewing and sharing content. Therefore, successful campaigns are based on content that has mass appeal, as opposed to narrow or niche market segments. Even though Blendtec's products are a specialty item with a price point that most consumers would find prohibitive, the videos are of interest to a larger audience. Many of the products that are "blended" in the videos (i.e., iPhones, iPads, Barbie dolls, and Nike sneakers) have broad-based appeal.