



Managing the risks of social media

On May 5 at the annual CeBIT Conference, KPMG moderated a panel of four professionals from ANZ Bank, Fairfax, Twitter and LinkedIn, on the risks of using, and not using social media.

To get involved or not? It's no longer the big question, now that companies are seeing that social media isn't going anywhere. The more pertinent question has become how to manage the risks of social media. These risks, as James Griffin, Director at KPMG, outlines, can be "reputational, regulatory if you're in the financial services space, and also in some instances, operational."

What organisations can gain from social media

While an organisation might be very good at calculating the risk of engaging in a new activity, it can be more difficult to calculate the risk of not engaging, with perhaps the ultimate peril being irrelevancy in the target market. One of the most fundamental reasons to engage, Mark Dick, Director of LinkedIn Sales and Solutions at LinkedIn explains, is the ability to build your reputation, "This is your opportunity to brand yourself in the professional context that you want the world to see."

The ways in which organisations use social platforms are as varied as the platforms themselves. Shana Allen, Sales Director at Twitter, says Twitter can be a valuable testing ground. "Twitter is a platform to test things out at a smaller scale, to start that conversation with your followers and to see if and how your followers or your brand advocates are responding before doing a full blown campaign across media."

Journalists, who live in a world where immediacy is paramount, seem to have an innate aptitude for accessing the benefits of Twitter. Beyond using social channels as a way to capture mood and sentiment, Rose Powell, a journalist at Fairfax, lists two other ways: "One is to research particular people or incidents – and a key part of that is when something big begins to break ... and the other way is using social media as a distribution tool."



Laying the groundwork

When Michael Smith, CEO of ANZ, announced to his staff that he wanted ANZ to become the leading social bank, they could hardly believe it. Amanda Gome, Head of Digital and Social Media at ANZ, admits they started from a low base, but she says, "It gave us the chance to take a complete enterprise-wide approach and be very methodical about how we set it up. We started a steering committee, we developed a playbook that includes crisis management, and we worked very hard with Risk and Technology." Creating policies and guidelines was also critical to making people feel comfortable with social media. "The personality of the bank was shy, it was not arrogant, and many people equated having a profile or any kind of social activity as maybe getting them into trouble."

Properly securing login details was mentioned as something that can protect an organisation against the risk of unsolicited comments from disgruntled ex-employees. Powell points out that a company's social media passwords should be treated with the same level of security as other points of access. "The most likely risks, the ones that are going to hurt, come from within the company... so I think it's about treating your fundamental corporate account passwords like they're really precious and teaching your staff and having good exit procedures."

The handling of a crisis

The question of how to best respond in the event of a crisis is a subject that many companies need to educate themselves on. Allen believes that a quick response is critical. She also recommends that all businesses plan ahead for crises, and ask themselves, "Do you have a pool of key influencers that can help spread your message when you're going through a crisis and that will continue to support you? Do you have a strong follower group? Also, do you have the listening processes in place, and do you have a streamlined signoff process because the one key thing in terms of crisis management is to make sure that you're quick to respond." She also adds that there is an upside to when issues explode on social media. "On Twitter things are definitely amplified but they also go away quite quickly because it's such a real-time platform."

Gome highlights that individuals responding to a crisis on social media need to be conscious that their response is an authentic one. "The first question any brand or corporate needs to ask itself is, 'is this authentic?' and then what is the perception of it going to be... you might go 'yes, it's authentic', but then you need to take that second step and ask 'will it be seen as authentic?'"

Dealing with bullies and trolls

An inescapable risk, online bullies and trolls are a fact of social media, but they need not be the ultimate decider when it comes to an organisation's reputation. As Dick comments: "It's less about how to stop things being said about you and essentially how you engage or respond to that conversation". A business' response will ultimately decide how the business is perceived, rather than the comments from the bullies.

Twitter helps businesses protect themselves with a number of options encompassed by the BRIM (Block, Report, Ignore, Mute) approach. Allen explains that 'Block' prevents a user from accessing your content, or following you. 'Report' allows you to report specific tweets that are inappropriate. 'Ignore' is a highly recommended tactic since most bullies will move on if they do not receive attention, and lastly 'Mute', which prevents you from having to see a particular user's tweets – without them knowing you've muted them. Allen adds that you will often find users will help with the policing of bullies, providing yet another reason to build up a network of advocates.

Organisations can also make the mistake of focusing too much attention on the negativity. Gome comments: "It's important to explain to executives that it's not the end of the world, for every one bad [commenter], there will be a hundred fantastic ones, and focus on that."

Getting everyone involved

The most important thing ANZ did was to train its top executives on how to have a voice on social media. Gome explains: "Often we say to them, 'no, we will not tell you what to do, no we will not give you the tweet, you are professionals, trust yourselves.' But we did give them guidelines and explain how to use social media channels for business purposes." Interestingly, ANZ decided to begin the initiation with just female leaders, training them to be social media advocates and to be visible and share information with stakeholders. The next phase of the program will be to role out the program with the male executives.

So will we see a day when Michael Smith is responding directly to journalists? Gome is resoundingly positive: "I think that will happen soon. I don't know if a journalist has actually sent him a message, but of course he'll respond; he is authentically tweeting, that's one of the things that we do, all our executives do their own tweeting."

Next steps

There's a clear shift that needs to happen within the operations of businesses as they adapt to a social culture. Gome says: "We're moving from having a social media strategy to a social business strategy where all parts of the business are actually looking at 'how do we use social to solve problems, find opportunities, and then put that into a big roadmap.' That's a big exercise we're doing at the moment because social media tends to start off in marketing and communications and then it has to go down into the business so it just becomes the new way of working."

For those unsure about how to begin, Allen recommends starting small, being sure to spend as much energy on listening as you do on being a voice. "A key focus for us before we're even looking at revenue and what we can bring in and how we can connect them with their consumers, is sitting down with organisations and suggesting, let's start small scale, let's start with a content calendar, let's only do organic tweets and see how people are engaging, and then gradually link to everyday moments and the events during the year, and then specific campaign moments."

**And the greatest risk of all?
Not using social media at all.**



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