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TECHNOLOGY

Cool Social Networking Turns Consumers Into Brand Fans

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the Internet has turned that concept on its head.

Social media sites create a two-way street where consumers post views — good and bad — to a potential audience of millions.

Similarly, companies have a channel to touch consumers as if they were next-door neighbors.

Marketing with social media can determine winners from losers.

Once upon a time, companies would create an account on a social networking site simply to claim they had one. That was so long ago.

Success now requires them to fully engage consumers and deliver a well-honed message that taps all the right emotions.

The Like Generation

Top companies know that rather than simply promote their brand as No. 1, they must make consumers yearn to connect with the brand.

"The whole thing about social media is that it's social," said Lisa Allard, vice president of special projects at communications and research firm PhaseOne. "Companies need to promote the brand in a way that makes the consumer feel good, that says something about how they live and what they value."

Doing that requires a "me statement" that embodies the consumer in the brand, she said.

A good example of that is **Starbucks (SBUX)**, which PhaseOne rated the best in a study of the most socially engaged companies. About 30 million consumers have clicked the Like button on Starbucks' page on Facebook, where over 480 million people [log on daily](#). It has 2.3 million followers on Twitter.

In addition to its own [Facebook postings](#), Starbucks actively reacts and responds to postings from its fans. The site is loaded with photos of

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When the Carnival Cruise ship Costa Concordia struck a rock and sank in shallow water off Italy on Jan. 13, killing 32, critical comments exploded on social media sites such as **Facebook (FB)** and Twitter.

Carnival had no apparent plan to respond to the wave of negative comments. For six days its Facebook page looked as though Carnival didn't know the shipwreck existed. The cruise firm continued to post typical updates on travel, special deals and features.

All the while more negative comments flooded in.

It took six days for Carnival to reverse course and react to the comments, helping calm the uproar.

Unlike times past when companies could control the flow of information,

Starbucks coffee cups in creative places and of employees worldwide helping other people.

And on its Twitter site, Starbucks posts joyful replies to comments.

PhaseOne determined that the "me statement" of Starbucks is about customers pursuing unique experiences. Drinkers of Starbucks coffee are one of a kind.

"It's not that they're coffee drinkers," said Allard. "It's that they pursue unique experiences."

Another firm that PhaseOne rated highly in its study was food giant **McDonald's (MCD)**, which has 18.7 million Likes on Facebook. Typically, eating at a restaurant that makes food fast and sells it cheaply is not a highly valued social endeavor. But McDonald's presents a different theme on [its social networks](#). "McDonald's reflects a message that says their customers are savvy, and that's a positive social quality," said Allard.

Among other top achievers in the PhaseOne study is Audi. Its "me statement" is about having a cutting-edge, high-end lifestyle. **American Express (AXP)** is about doing neat stuff. Red Bull reflects a message that is cool under pressure and conquering challenges.

Raleigh Gerber, a social media strategist and consultant in Los Angeles, says businesses have many reasons to board the social media train. In addition to joining the hundreds of millions of people who engage social networks, doing so helps a company build trust and monitor consumer attitudes. "Like any other marketing or public relations program, you have to devote resources to it," she said. "You need to have a motivated social media team."

The most common resistance among corporate level executives about engaging a social media strategy is fear, said Gerber: "They ask me, 'What if someone writes something bad about us?' I tell them they should want to know about that and respond. You have to overcome that fear."

On Track

IBM (IBM), an early fan of social media networking and with an eye on making money, says go for it. "We can measure the return on engagement," said Ed Brill, director of social software at the tech firm. "We can track millions of additional sales through social selling methods, using identifiable metrics."

Using Facebook, Twitter, **LinkedIn (LNKD)** and other sites, IBM has been able to define and connect to new customers and heighten awareness of the company brand, says Brill. IBM encourages all its employees to get involved, to include blogging. "It helps us put a face on the company," he said.

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