

**SOCIAL MEDIA AND BUSINESS:
WE'VE BEEN ASKING THE WRONG QUESTION!**

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EXECUTIVE SUMMARY

Despite the booming use of social media, most organizations are still grappling with what it means to them. Academics are among those who are out of date, with the bulk of articles on the topic being published in practitioners' journals, and often tackling only one facet of how social media affects organizations, rather than providing a unified understanding of the entire question. The framework used to investigate what social media means for organizations is the most problematic. Researchers and organizations alike are asking the wrong question: "How can organizations exploit social media to their benefit?" This short-sighted framing underlines how misunderstood social media actually is. The upheaval brought about by social media reintroduces a forgotten element in industrialized societies: the community. In order for organizations to take part in the social media revolution, we argue that they need to reframe the question they ask as: "How can we become part of, and serve, the community?" rather than "How can we control, or benefit from, it?" This involves engaging in a social dialogue that increases mutually reflective trust.

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INTRODUCTION

Social media is a revolution. It is, nevertheless, misunderstood. It is quietly changing the world more deeply than we realize. Think of the Arab Spring. Populations from countries such as Tunisia, Egypt, Libya, and Syria have finally taken action against government forces that had oppressed them for decades and more. Social media has been crucial as a tool to empower these uprisings, providing rebels with a means of mass communication that could not be controlled by their governments. Think of WikiLeaks. With help from various intelligence agency insiders, it has taken whistle blowing to a new level, capable of challenging powers such as the CIA, and leading the government to change its surveillance policies.

These two examples illustrate how powerful social media can be, and how much it can potentially change the balance of power. It gives voice to communities that previously were disenfranchised and disempowered. It threatens powerful organizations, such as the CIA, or even governments, which are used to controlling information and dictating the terms of a relationship. Social media has the power to change society profoundly.

Business organizations have recognized the potential of social media over the last few years, often beginning with a focus on marketing. Likewise, practitioner articles about how companies can harness its power have expanded massively in recent times. However, researchers and business people alike have been asking the wrong question. In typical business fashion, the question that most business stakeholders have been asking about social media is: "How can it be

exploited for our benefit?" Putting the question in these terms shows how misunderstood social media is and how ill-equipped organizations with a traditional business mentality are to survive the social media revolution, let alone to thrive in it.

We, therefore, aim to bring a different light to the topic of social media and business by asking a different question: "How is social media changing society, and how will that change the way organizations do business?" Framed in this way, the emphasis shifts from how organizations can exploit social media to their benefit to how they must adapt to a new social order. We argue that social media can drastically redress imbalances in power. Hence, organizations thinking that they are running the show may be in for a big surprise. It may be time for them to accept an era of genuine participation in larger communities. To illustrate our arguments, this essay is organized as follows: the first section introduces social media innovation and how it is turning society on its head (through the use of four pillars). The second section introduces a reference framework that explains why there is a shift in corporate logics from exploitation to citizenship. The last section proposes four tests that organizations can use to establish how far their corporate reasoning fits a citizenship attitude compatible with the revolution in society brought about by social media.

SOCIAL MEDIA: A MILD TECHNOLOGICAL INNOVATION THAT BRINGS ABOUT A SOCIETAL REVOLUTION

Social media refers to new media technology that enables instantaneous, multi-way communication between groups of individuals. This section first introduces the technological

aspect of this innovation, and then we will focus on the broader impact that this technology has on society and the way we communicate.

Social media: an enabling technology

Social media refers to Web 2.0 applications that allow users to create, exchange and share content over the Internet. A number of social media platforms are available, each with its own distinctive features. Facebook, for instance, originally started as a digital replacement for Harvard University's Freshmen Register, known as the Facebook. Facebook users create a profile and establish a network of friends with whom they can exchange material, such as photos, videos and verbal communication, using in various methods, that is, privately, one-on-one, or publicly. Twitter is another popular social media tool that takes the "status update" function of Facebook and uses it as its main, minimalist feature. LinkedIn is a professional version of Facebook, where users create a professional profile, and exchange information with other professional contacts. Other widespread and growing types of social media have the aim of sharing photos and videos. Examples of these include YouTube, Pinterest, Flickr, and Instagram. At the technical level, social media is only a "mild" innovation, relying on improvements in database technologies and network protocols, among other innovations. However, three key technical features should be highlighted.

First, social media is an *open, multi-way communication tool*. It merges the capabilities of personal media, such as the phone, and mass media, enabling individuals to respond to any comment in mass media messages, and their personal communications can reach large audiences. While email already allows individuals to communicate in a multi-way manner, it does so in a

private, closed way. By contrast, social media is open and accessible to everyone. For instance, when telecommunication companies such as Vodafone use Twitter or Facebook as a customer service tool, the messages exchanged between company and individual customers are visible to all users, not only to the customers who posted the specific question or complaint.

Second, *social media is fast*. It increases the speed with which information about events is created, circulated and commented upon. While personal media and mass media have already increased the speed of communication and, therefore, the pace of life, over the last century, social media has accelerated things further. In fact, social media can be almost instantaneous. An example of this is the rapidity with which a video showing a FedEx employee throwing a package over a gate and destroying its contents spread on YouTube. The video went viral and FedEx was forced to respond and reimburse the customer.

A third characteristic of social media is that it is *affordable*. Membership for most social media platforms is free or relatively inexpensive (as is the case of premium memberships offered by platforms such as LinkedIn). Furthermore, unlike mass media, the equipment and software needed to create and distribute content on social media is affordable and widespread. A smartphone is all you need to generate and circulate videos, pictures and text, which can spread over the web like wildfire. Add a personal computer or tablet to the equation, with cheap or free media editing apps, and most users have the tools to produce highly sophisticated material. This feature reduces the previous asymmetry between accessing and broadcasting information, allowing individuals and small organizations to communicate globally. One of several possible

examples is the once small Seattle-based shop, Cupcake Royale, which can reach its customers through a simple Facebook page.

Social media: A societal revolution

While social media has introduced important technical innovations, the real revolution is how it can change society. Social media empowers individuals and communities to communicate and disseminate information cheaply and instantly on the web, with a potentially global reach. We have identified four pillars through which social media is revolutionizing society.

Pillar 1 - Diffused authority and power

In traditional mass media, which is one-way, power lies in the hands of those who create and broadcast information: journalists, newscasters, academics, government officials, and business leaders. These “authorities” have traditionally held the monopoly on what information is broadcasted to passive audiences. Although social media does not cancel out this power differential, it alters it. Authorities, celebrities, and government officials are still more likely to be heard on social media than the average person; for one thing, they have many more followers on Twitter. However, average users now have a voice, and their voice can propel them into temporary celebrity status if they broadcast the right message at the right time.

This can take the form of a user voicing a complaint about an organization that finds resonance with other users, such as an airline customer complaining about service issues. A notorious example involved British Airways and an unhappy customer, Hassan Syed. In order to complain about lost luggage, he resorted to buying a promoted tweet, that is, a paid-for tweet normally

purchased by advertisers who want to reach a wider audience. His tweet said “Don't fly @BritishAirways. Their customer service is horrendous.” The tweet went viral, in part due to British Airway’s inability to reply to or moderate the original tweet. This example illustrates how even a normal customer can reverse the balance of power with authorities that typically wield unilateral power in situations similar to a lost luggage issue.

Pillar 2 - Immediateness and authenticity

In the case of traditional mass media, information usually passes through a structured organizational process, in which pre-defined mediators decide what to publish and how. This process mitigates visceral, emotional reactions and favors edited and rationalized messages. In contrast, social media brings out authenticity and passion in people. Since individuals who express themselves on social media feel that they are revealing their private self, they tend to be more genuine, emotionally transparent and unfiltered than when they communicate through official, public channels. The individual voices that surface through social media thus tend to provide an alternative take on events and reality. Because they are more authentic, typically they also have more power to touch other people and so their views spread.

Social media was used in the Swiss village of Graubünden to revitalize tourism, providing an example of the power of authenticity. Photos and videos depicting some of its 76 inhabitants were posted on Facebook. Some of them referred to simple, rural buildings as “museums,” to great comical effect. The authenticity of Graubünden’s inhabitants really transpired from their posts, which were widely circulated and a clear marketing success.

Pillar 3 – Community as unit of analysis

Beyond empowering average individuals against “authorities,” social media has another significant impact on society: it is bringing back the community. Modern life has brought about a continuous erosion of the community, caused factors which can include migration from small towns to big cities and progressively bigger organizations, which make social interaction more anonymous, and globalization, which weakens local roots. For-profit organizations and governments (totalitarian or not) have benefited from the erosion of the community in terms of power. Without a sense of belonging, people are more easily subjected to the power of large organizations. Social media hampers this trend. It gives a voice to communities. It provides tools for people to discuss and comment on ideas collectively, expressing and broadcasting them to larger audiences.

Social media enhances communities in two ways. First, it enhances pre-existing communities. Second, social media generates new communities that share common interests, unhampered by geographical limitations. Online communities can be formed around political ideas, passions and diversions, or indeed any common interest. An interesting example of this is how the non-profit organization Sweetriot has leveraged social media to promote fair trade. The founder, Sarah Endline, created a socially-responsible chocolate company, seen not just as a business, but as a way to create a community with shared values about more sustainable ways to make and eat chocolate. The company emphasized its use of natural ingredients sourced directly from farmers, partnering with companies endorsing fair trade, and also low calories. Sweetriot entered social media in 2005, making use of blogs, since Facebook and Twitter were still in their infancy. Their

philosophy was to create a community for people sharing similar values. In 2014, Sweetriot had 5,400 Twitter followers and 7,600 Facebook likes, an incredible result for a small company.

Pillar 4 – Plurality of perspectives and values

Immediate access to social media by individuals around the globe facilitates the emergence of a wide variety of perspectives and values, both positive and negative. On the positive side, it helps to create a deeper form of democracy, as argued in the paragraph above. It brings democratic societies closer to the Jeffersonian ideal of democracy, where citizens are fully engaged in democratic dialogue and have a voice that counts.

On the negative side, social media can engender a mob mentality, with public lynching on social media. Examples of these abound. For instance, Justine Sacco, a PR executive working for IAC, was fired after her tweet went viral. Before taking off on a plane trip to Africa, she tweeted: “Going to Africa. Hope I don't get AIDS. Just Kidding. I'm White!” While she clearly made a mistake, the public uproar that ensued was out of proportion. Another potentially negative side of social media-based collective dialogue is that it can be subjected to manipulation. While intelligence agencies have always manipulated mass media for their purposes, social media makes it even easier for clever individuals or groups to manipulate public opinion by spreading false rumors or information that damages institutions and individuals for their own nefarious ends.

One factor that tempers the negative “mob mentality” side of social media and its potential for being manipulated is its multi-channel aspect. Since multiple individuals can voice their opinion

on social media, the social media sphere has the power to self-regulate. When lynching occurs, for instance, reasonable voices tend to emerge eventually, raising public awareness and ending the lynching. In the above-mentioned example of Justine Sacco, after the Twittersphere erupted in anger, some moderating voices started to appear, with tweets such as “[@JustineSacco](#) Sorry that this mob of moralistic jackasses is trying to destroy your life over a tweet.” Such is the power of collective dialogue and the reason why democracy is the best political system; different voices, engaging in reasonable dialogue, tend to produce a richer, more accurate, more complete, and fairer understanding of reality. In the same way that social media can stop social media lynching, it may also be able to limit the influence of manipulators, who are more likely to be exposed by other voices.

SOCIAL MEDIA AND BUSINESS: A SHORT-SIGHTED FOCUS ON EXPLOITATION

Given the media attention that it has enjoyed, it is no surprise that business organizations have begun to turn their attention to social media. Despite there being virtually no articles in academic business publications, there has been a preponderance of publications on the topic in practitioner journals, and organizations have begun to hire specialists to focus on this issue. Nonetheless, we argue that the business world has been asking the wrong question, adopting a myopic view of how organizations can exploit social media to their own benefit.

In this section, we will briefly review existing literature on social media and business. First, we will review contributions that examine how social media is exploited to manage external constituents. Then, we will focus on applications internal to the organization. Finally, we will

discuss the narrow-minded exploitative logic typically adopted by business organizations with respect to social media.

Exploiting social media to manage external constituents

Marketing has been the most common lens adopted to look at social media from a business point of view. The prospect of exploiting the private networks of customers for marketing purposes has made social media very attractive to marketing people. For instance, Hokey Pokey, an upscale Indian ice-cream company, has used social media to exploit its customers' love of the brand as a marketing tool. Three years ago, after realizing that most of its consumers were active social media users, its executives decided to engage them through social media. Working to a low marketing budget, the aim was to create a positive buzz about Hokey Pokey and to acquire and retain customers, while ensuring a high Return on Investment (ROI). Similarly, Desert Gallery, a Houston-based coffee chain, increased customer loyalty by establishing a presence on Facebook and inviting "likes" from its customers. A number of scholars have developed ways to measure social media ROI for marketing campaigns. There have also been a number of reflections on how social media, LinkedIn for example, can be used more effectively to target, approach, and successfully convert sales prospects. Using social media for the purposes of marketing, PR, and sales seems obvious, as this area, in particular, takes advantage of word-of-mouth dynamics and the accelerating the potential of social media.

Another way that business organizations have tried to exploit social media is for innovation-related purposes. Crowdsourcing has become a viable alternative to employing creative experts. Why not use your customers as a free source of ideas? The large number of people who can be

approached through social media multiplies the number of ideas generated and this, in turn, maximizes the chances of hitting on a winning idea. Furthermore, crowdsourcing can be a way to generate new ideas and carry out market tests simultaneously, while also enhancing customer loyalty and brand image. Danone, for example, has used social media channels to interact with its customers and harvest their ideas on both packaging and flavors for its Activia range. The campaign led to the development and launch of two products, Snack Pot and Activia Pouring Yoghurt, which were remarkably successful in terms of revenues and distribution right from the start.

Social Media has also caught the eye of HR people as a new way to promote career opportunities within their organizations and to identify potential candidates to be recruited. For instance, the social media specialist of the Maersk Group, Ana Granholm-Brun, convinced a retiring nautical captain to write a blog about his last voyage, encouraging other captains to follow suit, and potentially inspiring generations of new recruits. LinkedIn and Facebook have also proved to be useful tools for recruiters.

Exploiting social media to manage internal constituents

Businesses have also attempted to exploit social media for internal uses. Social media has been touted as a way to enhance communication among employees for the purposes of innovation and collaboration, and to heighten employee loyalty and commitment. For instance, One Tech Company and Tupperware have implemented internal social media platforms to facilitate communication within the organization. CEMEX, a cement company, has used social media to improve sustainability in its operations. The project was initiated by the innovation department,

which also invited a large number of employees to participate in the initiative, in a grass-roots way, instead of being implemented top-down by executive mandate. This led to a 5% improvement in the use of alternative fuels in just five weeks. Xilinx, a software company, increased its engineers' productivity by 25% after using social media for knowledge management instead of its large, unwieldy knowledge management database that was never consulted.

Finally, researchers and practitioners see great potential in exploiting Big Data generated by social media. Big Data has been used for planning, for market forecasting, to provide real-time data, and to obtain information on competitors. Researchers have found that Big Data obtained from social media sources can be of benefit to a company's brand image and stock performance, and that LinkedIn and other similar Social Media platforms can be used to measure an organization's competitive intelligence and employ self-developing ranking systems.

Why viewing social media through the lens of exploitation is narrow-minded

While it is natural for business scholars and practitioners to try and understand how they can exploit social media to their benefit, it is a narrow-minded view that can backfire. Consider the potential risk involved in using social media for marketing purposes. For instance, in 2003, Dr. Pepper/7UP provoked a PR disaster when the public found out that it had hired teenagers to write positive reviews about its new product, Raging Cow, using blogs that looked impartial while hiding the fact that the youngsters had been rewarded with T-shirts, free samples, and gift vouchers.

It is not easy to control and manipulate social media. Using people's social network for marketing purposes can destroy their expectations in the same way that multi-level marketing schemes, such as Amway, Tupperware, and Mary Kay can offend. Many people do not want their friends to abuse their friendship by trying to sell them merchandise at a profit. This breach in trust can provoke the opposite result of the one intended, leading to resentment against the company and an impaired rather than improved brand image.

The danger of social media for organizations and governments underlines the problem of adopting an exploitative position, since it fundamentally ignores the profound sociological change that social media is bringing about. Throughout the twentieth century, as organizations have increased in size, expanding their reach and power, they have become used to dictating the terms of their relationship with unorganized citizens, consumers, and employees. Without a voice, as Marx realized early on in the industrial revolution, individuals lose their power to the benefit of corporations. However, social media is currently giving a voice to the disenfranchised groups, bringing back a sense of community that can counterbalance the dominant power of organizations. If communities are empowered, strengthened, and revitalized by social media, then organizations must cease to behave as if they were outside and above communities. They must cease to believe that they can unilaterally control people through social media, or they may be in for a big surprise, like Gadhafi and Mubarak in Libya and Egypt, or more simply, British Airways facing an unhappy customer.

The renewed importance of the community induced by social media highlights the need for organizations to operate differently, beyond the traditional market and hierarchy mindsets. To illustrate this argument, we have drawn on a framework developed by Paul Adler in 2001.

MARKETS, HIERARCHIES, AND COMMUNITIES: DIFFERENT FORMS OF SOCIALITY WITH DIFFERENT LOGICS

Adler's framework can be very useful in understanding what the social media revolution means for business organizations. He describes three pure social forms: markets, hierarchies, and communities. In each of these, social interaction is regulated by a different mechanism: price, authority, and trust, respectively. In markets, the free exercise of supply and demand leads to a fluctuation in the price of goods and services, resulting in an optimal allocation of resources. In hierarchies, such as organizations, the authority forms the basis on which social exchanges are regulated. In communities, such as public spaces, individuals are in all equal and jointly own and exploit a common space or resource. The lubricant of communities is trust and goodwill.

While organizations primarily operate within the hierarchical logic, for-profit organizations also operate within the market logic, which regulates their transactions with suppliers, customers, and competitors. The social form most foreign to the operation of modern, for-profit organizations, however, is that of the community. Nonetheless, Adler argues that the community logic is the most efficient at regulating social exchanges where information is the focus of the exchange. A good example of how this works is given by academics creating and exchanging specialized knowledge at conferences and through openly available academic journals. They form communities of experts in particular fields.

As the information and high-tech sectors continue to grow in importance in developed nations, it is becoming increasingly important to encourage the circulation and elaboration of knowledge through communities. Companies can participate in, or constitute, various types of communities. Individuals within a company can belong to communities of other experts, as in the case of Google engineers attending conferences and other communities of practice within their given domain. They can create communal partnerships with other organizations functioning within the notion of trust, as in joint ventures for innovative projects. They can also create and nurture communities of employees within the organization.

Since the community logic, based on trust, is a fairly new form of sociality for organizations, they must learn to adapt. Adler suggests how this can be done, that is, by practicing reflective trust. Reflective trust is based on dialogue and reputation. It can emerge in communities that practice a Jeffersonian type of democracy, where socially active healthy citizens remain informed about communal issues, and continuously debate over the different communal issues and choices they face. As members of a community interact with each other, their reputation grows or not depending on how trustworthy they are perceived to be. Indeed, the power of one's voice is related to one's reputation. Adler's reflections on the community form provide a particularly useful framework to help organizations redefine how they approach social media: moving from exploitation to citizenship. We will explain how this could be done below.

FROM EXPLOITATION TO CITIZENSHIP: A DIAGNOSTIC TEST

We argue that the mistake most businesses have made in attempting to exploit social media for their benefit is that they have used a market or a hierarchical logic approach to address social media. When organizations engage with social media from a market logic perspective, they are trying to exploit it, without considering whether they are bringing any value to the community. When they engage with social media from a hierarchical logic perspective, they are trying to control it rigidly. Both approaches destroy trust, and therefore communities. In the long run, they will eventually fail.

Many of the PR disasters that have been experienced by organizations in their attempt to use social media for marketing purposes can be traced back to having adopted a market logic with the risk of eroding trust both externally and internally.

The key to the successful engagement of social media, therefore, is to stop trying to exploit or control it. On the contrary, organizations, and individuals within organizations, must think of themselves not as above, but as part of a community. They must switch to a community logic, based on reflective trust. To help them do this, in the following sections, we will set out four tests that organizations can undertake to determine how well prepared they are to engage with social media productively.

Test 1: What logic(s) does your organization operate under?

Approaching social media with a community logic implies operating with non-traditional assumptions, relying less on hierarchy or bureaucratic rules to govern the flow of communication both internally and to the outside world, accepting the need to share power over information with

other members of the community (pillar 1), trusting employees, and enabling them to let passion fuel their communications (pillar 2).

Therefore, it is important that organizations wishing to take part in the social media revolution carefully examine the logics that underlie their internal policies and rules about communicating on social media. Do their logics match those mentioned previously or are they at odds with them? There can be significant variances across organizations. Consider, for instance, two organizations standing in stark contrast with respect to their internet and social media policies: British Telecom and the UK Revenue and Customs (HMRC). While British Telecom has a fairly loose policy concerning the use of internet and social media, which indicates trusting its employees about what “acceptable use” means, HMRC has a rigid policy, reflecting low trust in its employees, and a closed mindset.

Hierarchical and standard approaches are risky. Tesco, for example, is often considered to be successful at managing social media, yet, even it can make mistakes. During the horse meat scandal in Europe, Tesco tweeted: "It's sleepy time so we're off to hit the hay. See you at 8am for more #TescoTweets." However, the Twittersphere never sleeps and hates standard corporate messages, which are more aligned to a hierarchical view of corporate communication. Tesco received thousands of complaints and was forced to apologize in national newspapers.

A simple way can be used to categorize how far the logics underlying your communication policy are compatible with the social change brought about by the social media revolution, in the form of a self-awareness test where you honestly try and position your organization in a scale

going from “*closed and anxious social media communication rules*” to “*open and trusting social media communication rules*.”

The Virginia State Police gives an example of anxious social media logic. During job interviews, it asked applicants to disclose the social networks on which they were active in order to “make sure its law enforcement officials [were] ethically sound.” At the opposite end of the spectrum are organizations such as Dell, which has adopted the following Global Social Media policy:

“Be Nice, Have Fun and Connect. Social Media is a place to have conversations and build connections, whether you're doing it for Dell or for yourself. The connections you'll make on Social Media will be much more rewarding if you remember to have conversations rather than push agendas. Dell has always been a leader in using technology to directly connect with our customers. Social Media is another tool you can use to build our brand, just be sure you do it the right way.”

The closer your organization is to the lowest point of the scale, the less likely it will benefit from engaging with social media.

Test 2: Which logics underlie the social media communities that your organization engages with?

Using social media implies engaging with communities. Nevertheless, some self-labeled communities may not actually operate under the community logic described by Adler. Some social media communities may operate in a manner more closely resembling a market or a hierarchy-based logic. Consider Mechanical Turk, or EBay, for instance. While both could be considered communities, they are first and foremost markets, operating primarily under a

market-based logic: they are hybrid forms of market and community. It is, therefore, important for organizations to assess the dominant logics of the social media communities they engage with, and interact within them consistently with the dominant logics in play.

Look at the travel and tourism sector. Social media sites such as TripAdvisor, Booking.com, and Yelp span all three logics of community, market, and hierarchy. They are communities where fellow travelers exchange information. They are also markets where different providers are ranked, evaluated, and given an opportunity to communicate with customers. On top of this, there are also various utilitarian aspects, such as the ability to book and buy services, which follow a hierarchical logic.

Test 3: What is the climate around the issues you discuss on social media?

In our discussion about social media as a sociological phenomenon, we have emphasized the emotional, immediate and unfiltered nature of messages exchanged by users. It is, therefore, important for organizations not only to assess themselves and the communities they engage with, but also the climate surrounding the issues they decide to broach on social media. Organizations may also need to be ready to address and discuss controversies openly. Failure to do so can result in a communication failure that damages their reputation.

JP Morgan provided such an example in 2013, when it invited Twitter users to submit questions to one of its high-ranking executives. At the time, the public sentiment about high profile investment banks was anything but positive. JP Morgan, in particular, was accused of having knowingly misled its clients about the securities it sold, something that contributed to the

financial crisis. The reaction of Twitter users was massive and negative to the extreme, leading JP Morgan to officially cancel its “Question & Answer” session.

Monitoring public sentiment about issues surrounding your organization and your sector does not necessarily imply a manipulative approach. Rather, it is meant to help you understand whether your organization is ready to sustain an open and honest dialogue about potentially controversial issues.

Consider British Gas, which launched a Q&A session on Twitter to announce an increase in energy prices. Although the initial intention was to be transparent, the initiative incited a lot of hostile and ironical comments against the company such as: "Hi Bert [referring to the customer service chief], which item of furniture do you, in your humble opinion, think people should burn first this winter?"

Another example involves the airline company Qantas, which asked its customers to “share their tales of being pampered on the airline” on Twitter. The timing of the campaign could not have been worse. Just days before, Qantas had suffered terrible traffic problems due to a labor dispute. The campaign generated lots of negative comments from angry customers.

Test 4 – Are you ready to assess the value of social media to you?

The final step is to evaluate the value that social media brings to your organization. A number of authors and consulting firms have already attempted to calculate the ROI of social media. We think that this assessment is important, but it must adapt to the type of logic underlying the

communities you engage with. For social media communities with a primarily market logic, such as Mechanical Turk, more traditional financial indicators might be more appropriate. For social media catering to customer service, with its mix of market and hierarchical logic, service level indicators, such as response time or number of complaints, can, instead, provide a good measure of effectiveness. However, when engaging with social media communities that adopt a more genuine community logic, an overly calculative ROI approach in determining the value of social media can be limiting, or even misleading in the longer term. In genuine communities, relational and social capital are central assets and difficult to measure. For instance, metrics such as number of followers or messages exchanged are typically used to measure an organizations' social media footprint. Under such metrics, Facebook ranks as the world's leading community, with an estimated 900,000,000 monthly visitors, and Twitter, second with an estimated 310,000,000. Such metrics do not, however, capture the true social capital generated by these communities.

When using social media to promote innovation, organizations may also be tempted to use metrics, yet this can be limiting. Why not turn the measurement logic on its head? Instead of relying on overly quantitative and predefined indicators of value, organizations should let communities tell them what value they bring to them. It is now possible to process a huge quantity of qualitative information using content and sentiment analysis. Monitoring value in this way can be revealing, and organizations can be faced with unexpected perspectives. Moreover, asking communities to reflect on their own value can help to shape the community identities themselves.

CONCLUSION

After disappearing throughout much of the twentieth century, the community is making a comeback thanks to social media. Not that markets or hierarchies will disappear; rather, they will be put back into their proper places. In order to engage with the aspect of community, organizations and individuals within organizations must become members of communities. They must learn once more how to serve the communities they belong to rather than focusing on benefiting from them. They must also stop trying to control these communities, and accept their equal participation within them. When dabbling in social media, organizations will lose some of their hierarchical control, and some of their measurable ROI. The benefits will be harder to measure and prove. Such is the way of communities. While your organization may not have reached this point, it may, nonetheless, find itself compatible with a community logic. If this is your case, we encourage you to embrace the community logic, take part in social media, and let it change you. The key is not to try and control the change. Some organizations may find themselves at odds with this logic, and, from our point of view, there is not much hope for them. We believe that they will be left in the wake of the social media revolution. This might not happen quickly, but we believe that it will happen eventually. Like Adler, though, we agree that communities, markets, and hierarchies never exist as pure forms. Most social groups adopt a blend of community, market and hierarchical logic. There is, therefore, room for all these defining aspects, and price and authority can have a place alongside trust in organizations that engage in social media.

Figures

Figure 1 - Video Frame from Graubünden's Facebook page



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Quy Huy and Andrew Shipilov (2012). “The Key to Social Media Success within Organizations.” *MIT Sloan Management Review* 54 (1): 73) provides a good overview of how social media has been used internally by different organizations.

Finally, for readers interested in the role of social media in the Arab Spring, we recommend:

Gilad Lotan, Erhardt Graeff, Mike Ananny, Devin Gaffney, Ian Pearce, and Danah Boyd (2011).

“The Arab Spring| the Revolutions were Tweeted: Information Flows during the 2011 Tunisian and Egyptian Revolutions.” *International Journal of Communication* 5: 31.

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