



## **Enterprise Social Media:**

Trends and Best Practices  
in Adopting Web 2.0 in 2008

## Definitions

---

For the purposes of this report, the following terms are defined as follows:

- **Communities**—a group of people who primarily interact via a computer network; also a supplemental form of communication among people who know each other primarily in real life.
- **Social network**—a social structure made of individuals or organizations that are tied by one or more specific types of interdependency, such as values, visions, idea, financial exchange, friends, etc.
- **Wiki**—software that allows users to create, edit and link web pages easily; often used to create collaborative websites and to power community websites.
- **Podcast**—a collection of digital media files distributed over the Internet using syndication feeds for playback on portable media players and personal computers.
- **Forum**—a web application for holding discussions and posting user generated content.
- **RSS**—a family of web feed formats used to publish frequently updated content such as blog entries, news headlines or podcasts, enabling users to keep up with their favorite websites in an automated manner that's easier than checking them manually (formally "RDF site summary," known colloquially as "really simple syndication").
- **Discussion group**—see Forum; may refer to the entire community or to a specific subforum dealing with a distinct topic.
- **Photo sharing**—the publishing or transfer of a user's digital photos online, thus enabling the user to share them with others.

—information courtesy of wikipedia.com

## Abstract

---

This report explores the adoption of Web 2.0 technologies and the future of social media initiatives in 2008 and builds on the foundation of similar research conducted by Awareness in 2007. Key findings of the 2008 study include:

- **Employers are starting to allow social media participation more freely in their organizations:** The walls are coming down on social network use for business purposes. The number of organizations that allow social networking for business purposes has increased dramatically to 69 percent in 2008—up from 37 percent in last year's survey.
- **Employers are finding the benefits of using social media:** Survey respondents said their organizations use social media to build and promote their brand (63 percent), improve communication and collaboration (61 percent) and increase consumer engagement (58 percent). Organizations are using Web 2.0 technology successfully. Almost half of respondents indicate they are using video, social networking, blogs and online communities successfully.
- **Some employers are using internal-facing social media communities to create a unique experience for employees, rather than using Facebook, MySpace or LinkedIn:** One third of respondents indicate their organization plans to deploy an internal-facing community and the main goal is to increase knowledge sharing and employee collaboration.
- **Other employers use external-facing communities or a blend of internal and external communities:** Slightly less than a third of respondents said their companies respondents said they already have them.
- **Employers are thinking more about how to integrate Web 2.0 technologies and are taking steps to encourage participation in online communities:** As acceptance of Web 2.0 technologies grows, employers are thinking more about best practices to encourage participation and reward expertise.

## Table of contents

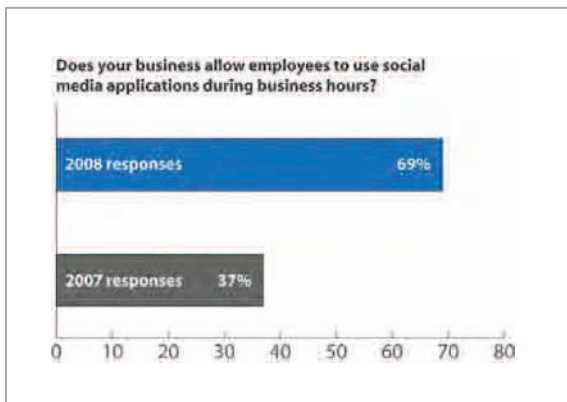
---

- 5. Workplaces are increasingly open to social media
- 6. Employers are finding the benefits of social media use
- 8. Internal-facing communities
- 9. External and blended communities
- 10. Integrating Web 2.0 into corporate culture
- 11. Conclusion: Best Practices for 2008
- 12. Methodology
- 12. Demographics

## Workplaces are increasingly open to social media

The most important finding of the 2008 survey, “Best Practices for Building and Implementing a Web 2.0 Community” is the increasing willingness of employers to allow social media participation in their organizations. Because the number of organizations that allow social networking for business purposes has increased dramatically since last year’s survey, “Trends in Adopting Web 2.0 for the Enterprise” the walls are coming down on social network use in the workplace.

In the 2007 report, only about a third (37 percent) of businesses allowed their employees to use social media applications during business hours. However, in 2008, 69 percent of organizations allow their employees to use social media for business needs.



Today, 75 percent of employees use social networking sites such as Facebook, MySpace and LinkedIn for business purposes, up 15 percent from 2007. Despite this increase in use, some employers still have concerns about social media. Employers who do not allow employees to use social media sites at work cite fears including loss of productivity (65.7 percent), lack of security (45.7 percent) and the fear of having inappropriate content posted (42.9 percent).

However, these views are fading. Almost half (49 percent) of employers said they allow members of corporate social networking sites to express themselves freely in an appropriate manner, and slightly more than a quarter (28 percent) monitor content with strong manual and automatic moderation tools.

Not only are employers opening up to the idea of allowing employees to express themselves freely, but they are also encouraging participation. More than a third (36 percent) of organizations periodically incentivize promotion and promote use to increase the rate of contribution and speed up participation in their online communities.

## Employers are finding the benefits of social media use

---

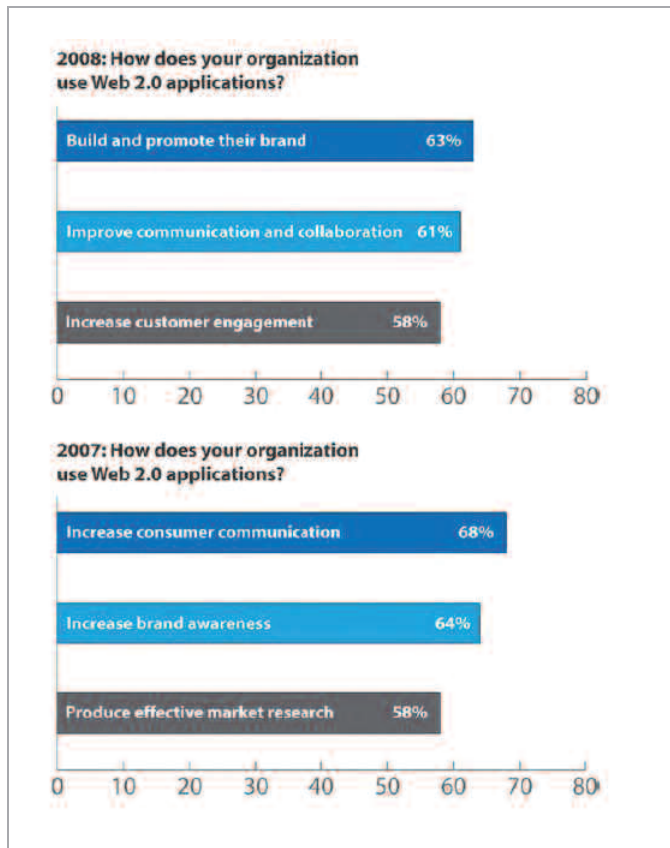
In the 2008 survey, organizations continue to be most interested in the marketing aspects of Web 2.0 technologies. Additionally, respondents are branching out in and experiencing more success with different types of applications than in 2007.

Today, organizations continue to be attracted to Web 2.0 technologies as cost-effective alternatives to expensive and untested marketing campaigns.

This interest in the marketing applications of Web 2.0 technologies continues to be strong. This year, survey respondents said their organizations use social media to build and promote their brand (63 percent), improve communication and collaboration (61 percent) and increase consumer engagement (58 percent). This isn't much of a departure from the 2007 results when organizations primarily used social media applications to increase consumer communication (68 percent), increase brand awareness and loyalty (64 percent) and to produce effective market research (58 percent).

The one notable change since 2007 is the increased interest in using Web 2.0 applications to improve communication and collaboration. Obviously, these technologies have the potential to facilitate communication and improve collaboration between an organization and its internal and external audiences.

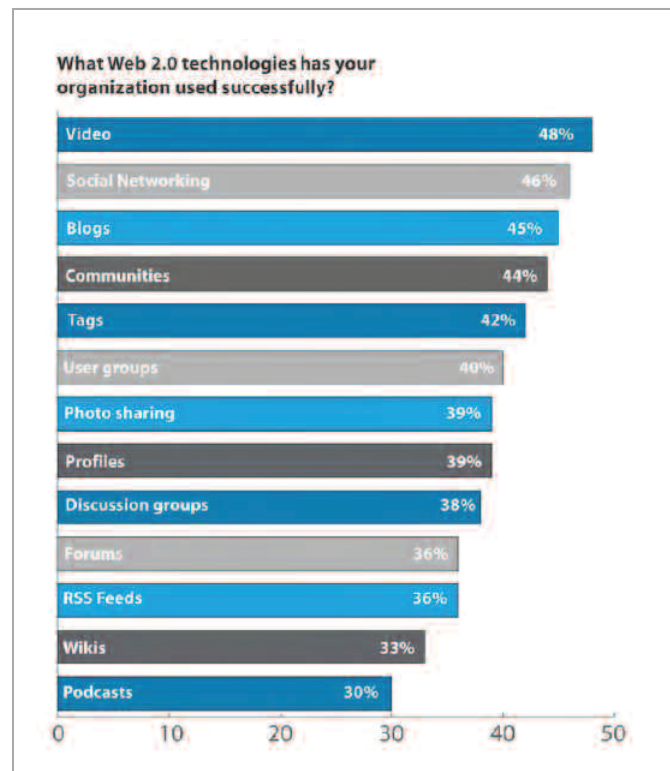
In 2008, respondents are reporting success with a wider variety of applications than in 2007.



## Employers are finding the benefits of social media use

Last year, respondents reported the most success with blogs (44percent),communities (42 percent) and wikis (39 percent). This year, respondents reported the most success with video (48 percent), social networking (46 percent), blogs (45 percent) and online communities (44 percent).

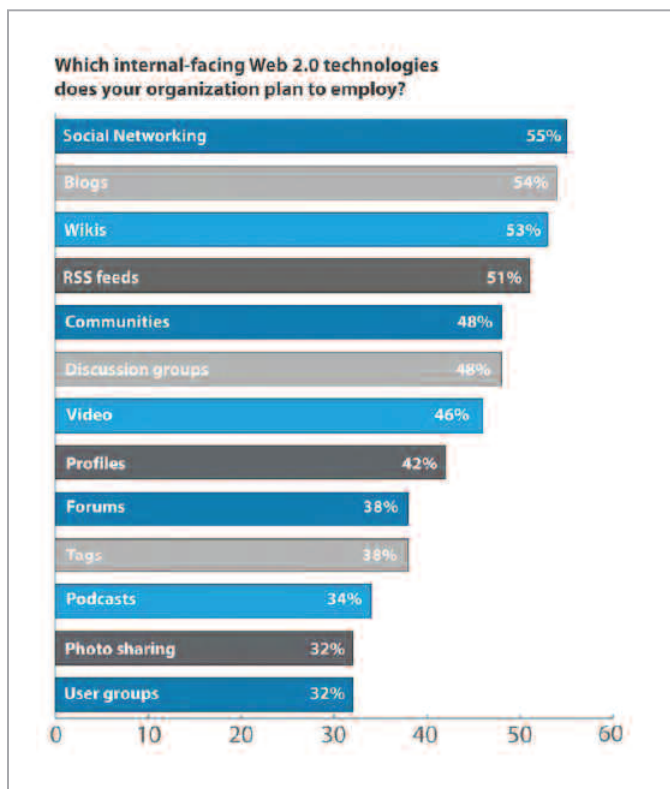
Clearly, Web 2.0 technologies— especially interactive applications that encourage two-way communication—are starting to gain some traction in organizations as they begin to understand how to use the applications to meet the needs of their consumers and employees.



## Internal-facing communities

Some respondents indicated their organizations intend to develop internal-facing social media communities to create a unique experience for employees, rather than using Facebook, MySpace or LinkedIn.

One third (33 percent) of respondents indicated their organizations plan to deploy an internal-facing online community, and six percent of respondents reported their organizations already have. Respondents also indicated their organizations have existing online communities for general knowledge sharing (42 percent), marketing programs (34 percent) and community interest groups (33 percent).



Within these planned internal-facing communities, respondents reported most of their organizations plan to employ social networking (55 percent), blogs (54 percent), wikis (53 percent) and RSS feeds (51 percent). The internal communities are built to resemble external-facing ones that are already popular on the Internet. Their hope is to make adoption and use of these applications easy and appealing to employees.

Organizations project the use of these Web 2.0 technologies will increase knowledge-sharing and employee collaboration (82 percent), improve internal communications (78 percent) and help employees find and help each other (59 percent). Ideally, these applications will improve horizontal and vertical cooperation, provide a convenient platform for knowledge sharing, facilitate closer collaboration between employees, nurture teambuilding and create loyalty to their organization.

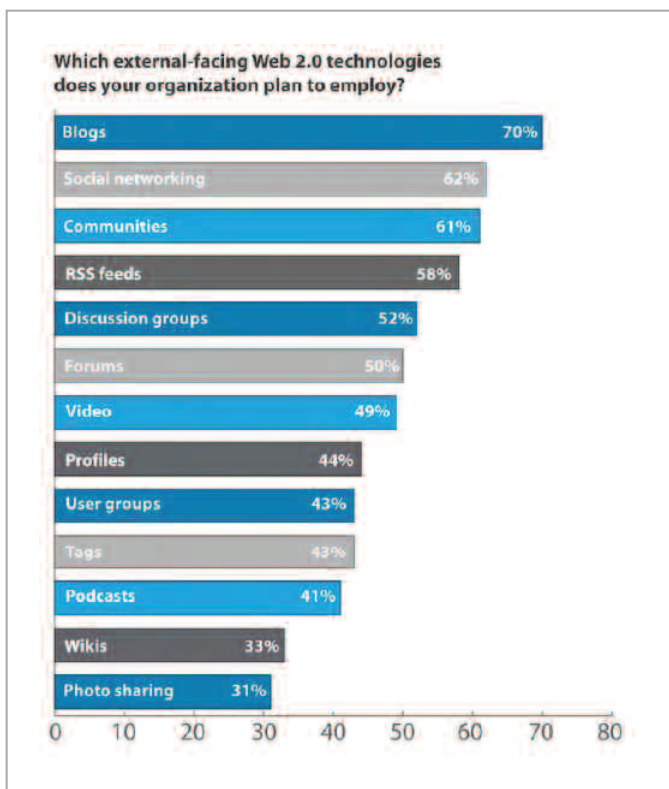
Also, creating branded, internal communities offers organizations more control and addresses the security concerns some organizations have about social media communities.

Organizations can more closely monitor internal-facing communities due to their smaller size and closed flow of information. Also, using a social media community inside an organization helps employees to become more familiar with Web 2.0 technologies. The advantage to this is they are better equipped to represent both the company and themselves when using external-facing social media communities.

## External-facing communities

In an effort to engage customers and prospects, some companies have chosen to focus on external communities rather than internal ones. In fact, 27 percent of respondents said their companies were planning to deploy external-facing communities and 13 percent of respondents indicated their organizations already have external-facing communities.

Within these planned external-facing communities, respondents reported most of their organizations plan to employ blogs (70 percent), social networking (62 percent) and communities (61 percent). However, only 33 percent of respondents expect to employ wikis on an external-facing community, believing that wikis are of greater benefit to employees than consumers.



Because external-facing communities are focused on appealing to the needs of customers and prospects, employers expect these communities to increase consumer loyalty and retention (76 percent), build their brand (74 percent) and collaborate with their customers (67 percent).

Even though this does allow consumers to collaborate more closely with employees, it also creates greater security problems for employers. Employers and employees need to exercise more caution with the material they post on the internal portion of their community, because it could easily bleed over into the external half.

## Integrating Web 2.0 into corporate culture

---

As acceptance of Web 2.0 technologies grows, employers are thinking more about best practices for their organizations and trying to integrate the use of these applications into their corporate culture. As a result, many organizations are taking steps to encourage participation in online communities.

The most common practices are leveraging participants' points of enthusiasm and driving them to related areas (37 percent) and highlighting members based on their activity within the community (29 percent). By targeting this enthusiasm, companies can use it to its fullest extent. Highlighting members allows them to receive recognition for their participation and expertise. For some, taking the time out of their day to participate in a social networking community is tedious and time consuming. Highlighting participants who offer constructive comments and add value to the network also helps to promote positive use of the community, instead of using it as a purely social mechanism.

Consumers and employees aren't the only ones who are in the game—many senior executives and management employees are active (52 percent) or moderate (26 percent) participants in the communities of respondent organizations. Whether they want to see what the rest of the company is talking about or find out what their consumers are saying about their products, some executives even participate by keeping personal blogs or posting on employee wikis instead of delegating these tasks to assistants. This allows for lower-level employees to communicate directly with executives who may normally be out of reach.

For example, in a recent MSNBC interview, CEO and Chief Blogging Officer, Bill Marriott from Marriott International, Inc discussed his corporate blog and how it has opened lines of communication between he and Marriott customers. Mr. Marriott also stated that his blog is responsible for over \$4 million in bookings since he began blogging in January of 2007.

Using social media applications for business purposes, much like in this instance, can help to facilitate quick, constructive communication with customers, partners and employees and even help to stop potential problems from occurring or change a company practice so that it achieves the best results.

An online community directed at specific interests and groups of people allows for more targeted marketing techniques and better results. For this reason, 37 percent of organizations have multiple focus areas in their online communities for users dependent upon their product interest and role.

## Conclusion: Best Practices for 2008

---

Although the adoption of Web 2.0 technologies in the workplace has reached a tipping point, organizations are still trying to identify and implement technologies that work best for their specific situations and adopt best practices to encourage use.

Organizations no longer need to be convinced of the potential benefits that social networking, blogging, video, wikis and other Web 2.0 technologies offer. However, to fully realize the benefits of knowledge sharing, collaboration and communication with internal and external audiences, organizations can benefit from implementing the following best practices:

- **Encourage participation**—but don't force it. Social media within an organization will only be as strong as its users. Find ways to recognize employees for contributing their enthusiasm and expertise to your organization's social media initiatives and highlight members based on community activity. Users who participate willingly and are recognized for their work are more likely to produce quality content and positive user experiences. Forcing participation does the opposite—it simply creates another workplace obligation. End users—whether internal or external—can tell the difference.
- **Manage the community**—trust but verify. Although many organizations wonder whether to allow employees to express themselves without restraint or monitor their content, the correct answer lies somewhere in between. Employees need the ability to interact freely on blogs, social networks and forums. However, standards of acceptable content must be established. If your organization clearly shows users where the out-of-bounds lines are drawn, the vast majority will choose to play by the rules.
- **Wikis work better for internal audiences**—Wikis are only as valuable as the quality of their content. Because it is harder to assure the quality of content submitted by external users, they are harder to maintain. Organizations find it easier to maintain the quality of internal-facing wikis because users are employees and can be held accountable for the quality and accuracy of their content.

## Methodology

---

Due to the large number of respondents who participated in this survey, we are 95 percent confident that the responses of the population to the survey questions would be +/- 7.7% percentage points from the figures stated herein.

The survey was sent via email to nearly 18,000 professionals. The survey was live for 14 days, and a total of 160 respondents were considered to drive the results and conclusions of this report. All respondents answered the questionnaire via an online survey tool and were assured of confidentiality. Their responses were used only in this aggregate analysis.

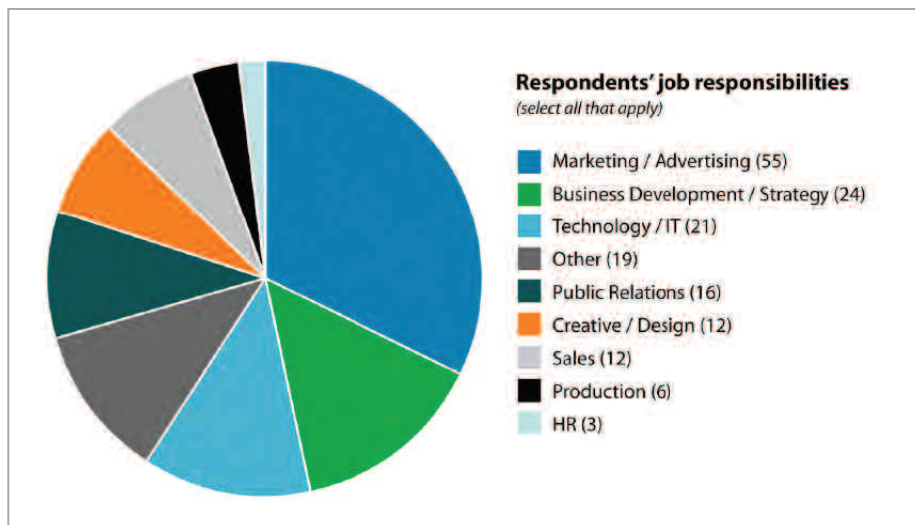
The trends and initiatives discussed herein are supported by the "Best Practices for Building and Implementing a Web 2.0 Community" survey conducted by Equation Research during the third quarter of 2008.

## Demographics

---

The demographic composition of the survey includes 27.5 percent of respondents from organizations with 1,000 employees or more. A quarter (25 percent) of respondents were senior-level executives and 40 percent were from management level.

Respondents came from a variety of roles in their organizations, but most came from marketing (55 percent), business strategy and development (24 percent) and technology/IT (21 percent).





---

**Contact Information:****Awareness, Inc.**

880 Winter Street, Suite 300  
Waltham, MA 02451  
United States  
Tel: 1 866 487 5623  
Fax: 1 781 622 2378

**Awareness Canada**

5050 South Service Road, Suite 100  
Burlington, ON L7L 5Y7  
Canada  
Tel: 1 866 487 5623  
Fax: 1 905 632 4922

**About Awareness**

Awareness helps companies build and operate branded Web 2.0 communities. These online communities let customers, prospects, employees, or partners connect with each other and share content. At the core of the Awareness solution is an on-demand social media platform that combines the full range of Web 2.0 technologies—blogs, wikis, discussion groups, social networking, podcasts, RSS, tagging, photos, videos, mapping, etc.—with security, control, and content moderation. Awareness builds these features into complete communities for companies, or customers use the Awareness API and widgets to integrate Web 2.0 technologies into their own web properties. Major corporations such as McDonald's, Kodak, the New York Times, Northwestern Mutual, and Procter and Gamble use Awareness to build brand loyalty, generate revenue, drive new forms of marketing, improve collaboration, encourage knowledge-sharing, and build a “corporate memory.”