

Social Media – The Latest Buzz in the World of Corporate Communication

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Corporate communication forms the backbone of every business, especially today where success or failure depends on public perception more than anything else. Over the past 10 years, scientific developments have effected fundamental changes in corporate strategies, particularly advances in digital and mobile technologies that are driving explosive growth in online communications and networking sites. Businesses wishing to speak effectively with clients and to manage market conditions, good or bad, must now meet demands by global audiences who seek and expect to find information through social networks.

Clearly, valuable opportunities await companies able and willing to use and monitor social media to communicate effectively with markets, to prevent failures, manage developments and realize commercial potential. Indeed, most corporate communication professionals now interact with clients through social media. Today, nearly 72% of FTSE 100 and 89% of US S&P 100 companies link their websites to social media, up from 35% and 61% respectively in 2012. Intelligence gained by listening to the ‘buzz’ on social media helps companies know and respond creatively to feedback. However, there are limitations. While some firms may use automated tools to collate and calculate simple data, effective monitoring of online events that affect businesses requires human intelligence and not just algorithms to detect and counter certain types of threats, and indeed, even identify hidden opportunities. Unlike automated tools that feed both relevant and irrelevant information, our analysts detect and present only what matters to our clients, helping them stay on top of relevant coverage and know how media activity is shaping the business environment around them, both locally and globally.

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Various studies show that companies can best achieve the primary objectives of corporate communication by including social media in their strategy, although recourse to such measures must be professional, judicious and timely. For instance, American fashion house, Kenneth Cole, received widespread public condemnation when it came up with an insensitive promotional tweet during the violent protests in Egypt in 2011: “Millions are in uproar. Rumor is they heard our new spring collection is now available online.” And shockingly, Cole came up with another ill-judged and inappropriate tweet during the deteriorating conflict in Syria in 2013, attracting instant backlash online. Southwest Airlines, on the other hand, knew exactly how to manage a crisis situation through social media when it’s Flight 345 landed nose first at LaGuardia in July 2013. Its quick, open and honest communication and customer engagement through Facebook and Twitter were instrumental in helping the brand effectively control what otherwise could have been a very nasty narrative.

The famous American cartoonist, author, journalist, and playwright James Thurber once said: “Precision of communication is important, more important than ever, in our era of hair trigger balances, when a false or misunderstood word may create as much disaster as a sudden thoughtless act.” This is especially true today. For any company, big or small, communication – through traditional means and social – holds the key to long-term success or irreversible disaster. It has the power to make or break a brand. Its effectiveness is vital to establish, advance and defend companies, their products, relationships and market positions – all key components that drive growth, profitability and, ultimately, shareholder value.

At Acuity Knowledge Partners, we partner with clients across sectors providing them customized media monitoring solutions. Our experienced analysts use not only media monitoring tools but human verification through secondary research and analysis to provide bespoke, actionable analysis, insights and perspective to our clients across the globe.

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