



Global research and training for internal communicators

P R E S S R E L E A S E

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Social media is proving a big hit for global corporations inside and out, but risks remain

Research organization, [Melcrum](#), today announces the preliminary findings of the first ever survey into social media adoption by large corporations worldwide. More than 2,100 executives responded about how blogs, podcasts, wikis and other collaborative technologies are being used to communicate with employees and customers.

Blogs are widespread but online video is the number one application

Much of the hype around social media so far has centered around the adoption of blogging as a business tool for communicating with customers and staff. The majority of respondents (55%) were already using blogs or planning to start in the next 12 months, but even more popular was online video (63%) through video sharing services like YouTube.

Also increasingly popular were podcasts (43%), RSS/webfeeds (51%) and social networks like [LinkedIn](#) (41%).

Robin Crumby, Melcrum's Managing Director and co-founder commented that: "Big business has taken note of the popularity of sites like [MySpace](#), [YouTube](#) and [Bebo](#) and is beginning to figure out how to integrate the same functionality and networking tools with their corporate intranets."

The gulf between the hype and reality

The survey also highlighted major discrepancies between the hype and the reality of social media adoption with 73% of respondents having no intention of implementing 3D web tools like [Second Life](#) for their businesses.

Why is big business so excited about social media?

When internal communicators were asked about the top two perceived benefits of social media for their organizations, 71% selected "improved employee engagement", 59% said "improved internal collaboration" and 47% chose "creating a two-way dialogue with senior executives".

Robin Crumby adds that: "The next generation of employees entering the workforce will expect to be able to have their say and network with their peers online. Corporations are preparing for this now. By encouraging staff and customers to get involved and build

communities around their brands, companies know that they can get better results in terms of staff productivity and engagement, but also customer retention and acquisition.”

Risk to reputation needs to be properly managed

While there is widespread enthusiasm for social media in the corporate world, 45% of respondents agreed that employees discussing their organization online posed a significant risk to its reputation. And yet, 70% admitted that they had no guidelines or policies relating to blogging or other social-media tools.

Even more worrying, was that only 26% were sure how to monitor what was being said about their organizations, industry or products online.

Robin Crumby commented that “Smart organizations like the [BBC](#), [Sun Microsystems](#) and [IBM](#) are encouraging their staff to blog and participate in online forums whilst educating them about the dos and don’ts, thereby minimizing the risk of libel suits.”

The future for social media?

While only a third of communicators described social media as a priority right now, 41% reported that they were committed to two-way communication with employees/customers online, and 52% anticipated their social-media budgets increasing over the next 12 months.

When asked about the barriers for further adoption, 23% of respondents highlighted gaining executive support as a key challenge, along with 13% reporting IT constraints and restrictions.

Robin Crumby concluded that “It seems likely that social media is here to stay and the key challenge for corporations is likely to be how they integrate these new technologies into their existing media mix.”

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Notes for editors:

The survey was completed by 2,112 professional communicators (VPs, directors and managers) working in internal and corporate communication. Responses came from 41% in Europe, 32% in North America and 16% in Asia-Pacific. Of these respondents, financial services sector accounted for 13%, professional services 15%, government and public administration 12%, technology 10%.

The survey forms part of Melcrum’s ongoing research into trends and best practice in corporate communication. The findings of this research will be published in a forthcoming Melcrum report on social media in April. For more information, please e-mail Daniel.gregory@melcrum.com

Melcrum is a research and training business with offices in London and Chicago. Founded in 1996 by Robin Crumby and Victoria Mellor, Melcrum has customers in over 90 countries. Through its global networks, Melcrum connects more than 18,000 professional communicators in sharing what works.

Definition of social media

For the purpose of this survey, social media was defined as:

The [online](#) technologies and practices that people use to share opinions, insights, experiences and perspectives with each other.

A few prominent examples of social-media applications are [Wikipedia](#) (reference), [MySpace](#) (social networking), [YouTube](#) (video sharing), [Second Life](#) (virtual reality), [Digg](#) (news sharing), [Flickr](#) (photo sharing) and [Miniclip](#) (game sharing). These sites typically use technologies such as [blogs](#), [message boards](#), [podcasts](#), [wikis](#) and [vlogs](#) to allow users to interact.

Source: Wikipedia: http://en.wikipedia.org/wiki/Social_media

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