

Social Networking and the Workplace

Overview

E-mail technology is over 40 years old! In 2009, approximately 1.9 billion people worldwide used e-mail, which translated to approximately one in five inhabitants across the globe. Facebook was launched in 2004 and has 1 billion users. YouTube, founded in 2005, has 300 million registered users with 4 billion daily viewers. Launched in 2006, Twitter has 500 million users. (Smith 2012) It is increasingly evident from these fascinating statistics that the use of social media tools is pervasive and is growing exponentially each year.

In this reading, we will explore the ways in which people use social media, how the lines between personal and business uses for social networking have been blurred, and the ways in which businesses can positively leverage these tools in the workplace.

Social Media Usage

During 2012, 58 million people in the United States used some form of social media every day. This represents 22% of all inhabitants with an increase of over 12 million people since the same time in 2011. (Qualman 2012)

Facebook usage has increased by 40% since 2011. (KISSmetrics 2012) In the most recent study conducted by Edison Research in 2012, 47% of people said that Facebook has the greatest impact on their purchase decisions. This indicates an increase of 23% over 2011's numbers. Additionally, 23% of all Facebook users check their accounts more than five times each day! (Edison Research 2012)

Twitter use is on the rise – in fact, 53% of all Twitter users have signed up within the past year. These new users are the most active with over 76% of them posting on a regular basis. (Edison Research 2012) This suggests that not only will Twitter usage continue to increase (currently there are 300,000 new users each day!), but the numbers of people influenced by the information they receive may also increase.

Of the 300 million registered YouTube users, 50% visit the site weekly. (KISSmetrics 2012) LinkedIn and Pandora each have 175 million users, eBay has 100 million active users, and the list goes on. (Smith 2012) Later, we will discuss the ways in which organizations can take advantage of these growing opportunities.

Social Media Usage by Demographic

96% of all 18–35 year olds are on at least one form of social network. Of these users, one in five is on Twitter. (formulapr.com 2011) The people in this demographic tend to be early adopters of new products and make up the primary audience that marketers want to reach. In fact, those born after 1980, known as the Millennials, who have been the initial driving force behind the growth of social media, will represent 75% of the workforce by the year 2025, according to a BPW (*Business and Professional Women's*) Foundation study.

However, older generations should not be ignored by marketers. From 2011 to 2012, 45–54 year olds represented the fastest growing segment in the use of social media. 55% of Americans in this age group have some type of presence on a social media site. While adults who are 55 or older have lower participation on social networks, three out of 10 have some social media presence. (Qualman 2012) These statistics alone should indicate that these market segments cannot be ignored.

Now for the demographics to support this strategy, the 50–59 year old market segment is expected to show an increase of 15% between 2005 and 2015, while the 18–35 year old segment will remain stagnant during that same time period. An even more astonishing statistic for 2005–2015 shows that the 60–69 year old segment is projected to increase by almost 70%. Additionally, the 50–69 year old group is growing three times faster than 15–34 year olds. (U.S. Census May 2011) Overall, these statistics project a significant increase in the 50+ year old market segments. It is also interesting to note that the percentage of total population for the 35–50 year old segment is declining. In 2010, this age group represented approximately 23% of the total population. That number is expected to decrease to 20.5% by the year 2015, as indicated in the chart below. (US Census May 2011). The 2010 US Census projects the following breakdown of the different demographic groups as a percentage of total population for 2015:

Age	Percentage of Total Population
70+	9.7%
51–69	22.9%
35–50	20.5%
15–34	26.7%

Social Media in the Business Environment

Employers expect their employees to conduct personal business on their own time. After all, employees are being paid to perform a full day's work. However, more and more, employees are using work time to participate on social media sites. According to a 2011 study conducted by harmon.ie, a social email software provider, \$10,375 in productivity is wasted each year by a typical employee using social media sites. This translates to more than \$10 million a year for a company with over 1,000 employees. (harmon.ie 2011) In their study "Social Media and Workplace Collaboration," SilkRoad Technology found that 75% of workers use their personal mobile phones to access social media sites at least once a day. Blocking access to those sites or monitoring employee behavior has not been shown to be a deterrent. As a result, according to the study, many companies (43%) allow their employees full access to social media while at work. (SilkRoad Technology 2012)

The natural extension of social media usage at work is that employees now use these tools to conduct business as well. The SilkRoad study found that among workers who use social media, 49% "connect with co-workers" and 44% use "social media to connect with customers." What these findings show us is that social media can have viable and effective uses in the workplace.

Social Media as a Marketing Tool

It is no surprise that marketing is leading the way for companies who use social media to reach their customers. From branding, to promotion, to customer loyalty, to increasing sales, the benefits of using social media tools can be significant. Further information from Edison Research shows that the percentage of Americans who follow a brand on a social network increased from 16% to 33% between 2010 and 2012. While this increase is large, it still shows that the majority of Americans have not followed any brand at all on a social network site, indicating that there is potential for further growth.

LinkedIn has seen a tremendous boon to its user base and is now the business world's most utilized social networking tool. Business people use LinkedIn to communicate with others in their fields and to extend their network through personal and professional affiliations. They can easily share information, ask questions, and search for new jobs. It is yet another way for people to connect in a virtual environment. With millions of users, it is no surprise that many organizations are now featured on LinkedIn.

In a study conducted by the Society for Human Resource Management (SHRM), more than half of companies surveyed use social media in their marketing strategies. However, only 28% of companies indicated that they have clear objectives for their social media activities. Stranger still, only about half of all organizations actually monitor the number of times their companies are mentioned on social media sites.

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Blogging is another effective way in which organizations can keep their customers informed, interested, and loyal. By consistently posting current and relevant information, an organization can engage the customer on a personal level while cultivating valuable resources to grow its business and strengthen its client base. While a surge in use has been identified in recent years, few companies have dedicated sufficient employees to maintain their social media platforms, resulting in inconsistent activities and an increase in customer disinterest.

We know that more and more people are using social media. We know that many of them are using social media at work for both personal and professional purposes. We know that social media is becoming a viable factor in brand awareness. We know that companies are using social media as part of their marketing strategies but have not yet fully integrated it into their formal plans. What all of this tells us is that the market is ready for a more structured approach to leveraging the social media environment.

Social Media Software Applications

The natural progression of technological advances means that companies should also consider making use of innovative software programs and applications to help manage their social media and web footprints – these programs need to be suited to interconnectivity and security (this is an ever important feature, as a poorly managed utility might lead to an embarrassing or financially damaging outcome.)

When dealing with social networks internally, companies can make use of *Yammer*, which enables individuals within an organization to “collaborate securely across departments, geographies, content, and business applications.” It allows employees to share files and information as well as to facilitate teamwork throughout the enterprise. *Tibco* also produces internal enterprise software that enables the workforce to interact and collaborate in real time.

Other applications include *Seesmic*, which helps companies build their brands online, and applications from *Salesforce.com*, which enable organizations to better understand their customers and collect customer information from other social media sites. *Hootsuite* enables businesses to connect with numerous social media sites for use in developing marketing campaigns, identifying target markets, sending messages to customers, and tracking campaign results. *Echofon* connects unread tweets from Twitter to your computer, iPhone, or iPad, and keeps track of messages. *Twidroyd* also enables the tracking of your Twitter activity. Both *Wordpress* and *Tumblr* are used for posting and maintaining a company’s blogs from many platforms including desktop computers, various mobile devices, and iPads.

The availability of these programs can facilitate the use of social media and lead to a more structured, monitored, and lucrative use of social networking as a marketing and business tool.

However, in spite of the proliferation of social media opportunities, and the numerous software programs to facilitate their use, only a small percentage of organizations are measuring the results of their efforts. According to the previously mentioned study by the Society for Human Resource Management (SHRM), only 21% of organizations use some type of analytics to measure their social media activities' return on investment. Additionally, companies are not effectively taking advantage of their employees' social media skills. Only 12% of companies surveyed by SHRM employ at least one individual as a social media director.

The use of social media in the business world is quickly evolving. By developing clear cut guidelines for personal social media usage on the job and determining how that usage can be leveraged for an organization's benefit, a company can be positioned to take advantage of these emerging marketing tools. Additionally, by setting social media goals, creating new departments, and hiring skilled workers, an organization should be able to see a return on their investment in short order.

Summary

- 58 million people in the United States use some form of social media each day.
- Of the various social media outlets, 47% of people said that Facebook had the greatest impact on their purchase decisions in 2012.
- The number of people using some form of social media continues to increase significantly each year.
- 96% of all 18–35 year olds are on at least one form of social network.
- 45–54 year olds represented the fastest growing segment in the use of social media.
- Three out of 10 adults who are 55 or older have some social media presence.
- Overall, the adult population will be increasing significantly between 2005 and 2015, while the 18–35 year old segment will stay stagnant. These statistics indicate that adult market segments should be part of organizations' social media marketing efforts.
- Organizations increasingly use social media in their marketing efforts but few have formalized these activities into their marketing plans.

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- 33% of consumers follow a brand on a social media site. The potential for increasing this number is large.
- Marketing is leading the way for companies to use social media to reach their customers.
- Social media uses include branding, promotion, customer loyalty programs, and the opportunity for increased sales.
- Numerous software applications enable companies to use social media networking both internally (promoting more efficient intercommunication) and externally (promoting increased exposure, awareness, and sales.)

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