HARNESSING THE POWER OF SOCIAL MEDIA:
HOW FOUR FORTUNE 500 COMPANIES UTILIZE SOCIAL MEDIA

by
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This thesis is dedicated to my father.
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ABSTRACT

MARY ELIZABETH CRONK- Harnessing the Power of Social Media: How Four Fortune 500 Companies Utilize Social Media to Drive Increased Sales and Optimize Marketing.

The purpose of this study is to demonstrate how Fortune 500 companies use social media as an effective marketing strategy. The researcher interviewed social media managers and marketing professionals at the following four Fortune 500 companies in Atlanta, Ga.: The Coca-Cola Company, AT&T, United Parcel Service and Georgia Power Company. This case study found that executives at the four selected Fortune 500 companies maintain relevant social media websites and perceive company involvement as a powerful marketing tool. However, executives expressed a mutual concern over whether their social media and marketing efforts yield significant, measurable sales for the company.

(Under the direction of Dr. Kathleen Wickham)
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“The most potentially transformative impact of social media is its ability to encourage brands to marry profit and purpose. The reason brands participate is that such outreach earns those companies social currency enabling them to start or participate in conversations that connect them to consumers in meaningful ways.”

-SIMON MAINWARING
CHAPTER I: INTRODUCTION

Since the early 2000s, digital advancements have transformed the way that corporations market and communicate with their consumers. Long before the term ‘social media’ was coined, consumers were participating in online conversation with and about various companies and their products or services (Evans, 2010). These conversations often influenced what consumers bought, subscribed to and even believed in. In the early days of online marketing, very few companies knew about these conversations and even fewer understood the need to participate. Companies failed to see that these conversations were much more valuable than any marketing message could manage (Evans, 2010).

Social media marketing, the process of gaining traffic or attention through social media sites such as Twitter, Facebook, LinkedIn and YouTube, has slowly taken over how companies market their brands to their customers (Search Engine Land, n.d.). As companies began to implement new social media-driven strategies, they were able to better understand their customers’ experiences, buying habits, and needs (Boone and Kurtz, 2012). Marketing executives were quick to observe that online conversation was much more intimate and immediate than traditional methods of communication, and they began to prepare to make substantial changes. While traditional marketing strategies focused on attracting customers and closing deals, marketers had to realize that although it is important to attract new customers, it’s even more important to establish and maintain
personal relationships with them so that they become loyal, repeat customers (Boone and Kurtz, 2012). The opportunity to interact with anyone, anywhere, anytime was too important for corporations to ignore. Social media began to alter traditional media expectations, and business to consumer interactions became much more immediate and personal (Merrill, 2011).

The evolution of social media has brought about a wide range of networking tools that companies are able to leverage to keep up with the fast pace nature of the digital world. Companies are beginning to see how social media plays an increasingly significant role in their future business success and in turn are acting on these changes. Businesses have acknowledged the demand to invest time and resources into social media, recognizing that their ultimate success depends on how they will harness the abundance of resources that it has to offer. Thanks to the proliferation of social media platforms, consumers have more access to and deeper engagement with a company’s content and brands than they did in the past. Content that was once only available to consumers via traditional communication methods can now be delivered to consumers through multiple networking sites and devices. “This is driving the media revolution and blurring traditional media definitions,” (Nielson, 2014).

Consumers are now always one step ahead of the game when it comes to evolving social trends, and businesses must stay in tune with their demands in order to market products and services to their best potential. Social sites are becoming increasingly helpful in increasing customer engagement, brand building, interesting people in products, and increasing sales conversions.
Forbes. “Social media has taken hold in the business world.” (DeMers, Feb. 2014) because it is one of the easiest ways for companies to reach out to new customers and market the existing. Thus the purpose of this study is to examine these relations through interviews and case studies with marketing and social media executives at four selected Fortune 500 companies.
CHAPTER II: LITERATURE REVIEW

The United States is home to some of the world’s largest and most powerful companies. Every year since 1955, Fortune Magazine has compiled and published a list of America’s top 500 corporations based on the revenue figures for each company’s previous fiscal year. The magazine named this group of companies “Fortune 500” given their size, wealth, and the overall influential role that they play in the business world (Barnes, Nora, Lescault and Wright, n.d.). For the past sixty years, Fortune 500 companies have been measured based on their losses and successes. In the past decade, social media presence has emerged as a factor in their presence on this list.

Top executives now clearly recognize that active investment in social media will play a significant role in the future success of their companies. In an online survey conducted by websites Oracle, Leader Networks and Social Media Today, which reached over 900 marketing and technology executives, it was found that 97 percent of executive’s top priority is to become socially enabled. In terms of customer intimacy through social media, 91 percent of executives see an increased visibility with prospective customers through their social media business initiatives (Carey, 2014). This study found that organizations who are putting themselves out in the cyber space are beginning to see significant returns from these social initiatives, but that transition toward a socially current business was not easy (Carey, 2014).
Businesses have acknowledged the demand to invest time and resources in social media, but many are still in the process of strategizing how to successfully embed it into their business models. What they are now faced with is the task of harnessing the abundance of resources that social media has to offer and integrating the tools into marketing programs to effectively fit their individual strategies. Social media has the potential to help companies build their brand, increase customer conversation and increase product and service interest, thus an increasing number of business executives are taking the initiative to be present on all relevant and trending social sites (Periasamy, n.d.).

Fortune 500 companies have taken a big social leap in recent years. According to a University of Massachusetts Dartmouth Center for Marketing Research study on social media adoption among the Fortune 500, top companies are embracing the new communications tools offered to them. Figure 1 depicts that in 2013, these business giants increased their use of Twitter for corporate communications by 4 percent and their use of Facebook pages by 4 percent. 69 percent of these companies use YouTube, up 7 percent from 2012 (Barnes, Nora, Lescault and Wright, n.d.).

Figure 1
• 77 percent have active Twitter accounts (up from 73 percent in 2012).
• 70 percent are on Facebook (up from 66 percent).
• 69 percent have a YouTube channel (up from 62 percent).
• 35 percent have Google+ pages.

Many top Fortune 500 companies have undergone substantial marketing strategy revisions in recent years in order to keep up with evolving social networking trends. They have had to do so by maintaining effective brand communication across all mediums. For marketing executives, customer engagement has long been a part of online marketing efforts. In recent years, businesses have begun to push this user-generated content onto new social media platforms, encouraging consumers to share their own stories in a unique execution in exchange for an entry into a contest. The expanding popularity of social media-based promotions has forced marketers to find new and creative ways to reach out to their customers (DeMers, Jan. 2014). Promoting brand awareness and successfully developing brand personality has always been a top priority of a company’s early marketing campaigns, but social media has taken the possibilities to a whole new level.

Walt Disney is an example of a company that has kept its social media strategy fresh and relevant through the use of user-generated content. Disney, which ranks #66 on the Fortune 500 list (Fortune), used the social media video application ‘Vine’ to promote one of its many contests in 2013 (DeMers, Jan. 2014). This is something that no other company had done up to that point. With a contest titled ‘Vine Your Disney Side,’ the company invited Vine users to create videos showing their personal Disney side for the chance to win a free Disney vacation or $1,000 (PR Newswire, 2013). The winning entry not only received a
trip to a Disneyland, but also $10,000 to create an extended Vine series for Disney, which in turn further promoted the company to other Vine users. “The Disney Parks Vine account added to the company’s stable of successful social media channels that reaches a global audience of 40 million Disney fans combined,” (PR Newswire, 2013). Businesses took note of Disney and are beginning to implement new ways in which social media enables the consumer to act as the marketer.

Ford Motor Company, #10 on the Fortune 500 list (Fortune), is another prime example of a company that aims to drive real business results using social media. In 2010 Ford used Facebook to announce the new Explorer to its fans in a new and unique way. Leading up to the reveal of the new model, Ford posted sneak peaks, interviews with the design team, and behind-the-scenes looks with the chief engineer on their Facebook page (Gothelf, 2013). In addition to this effort, events were held nationwide in which Ford secured earned media as well as targeted digital ads. Ford completely integrated its marketing team to combine paid, owned and earned media. “The results: on the day of the reveal, Ford received 100 million social impressions, 400 million browser impressions, and reached 66 million Americans,” (Gothelf, 2013).

These success stories findings beg the question: with so many high-profile companies optimizing social media as a successful marketing tool in terms of increased consumer interaction, why aren’t all Fortune 500 companies harnessing the power of social media to their fullest potential? Should not more executives boost their social media participation with the intention of driving increased
sales? A 2009 Marketing Industry Trends report explained that the lack of an established way to measure the effectiveness of social media is the top reason that companies are not utilizing social media as a marketing tool (Grainger, 2010). See Figure 2 for a list of some other barriers.

Figure 2

**Barriers to Firms Adopting Social Media Marketing Tools**

This bar graph illustrates many of the most serious perceived obstacles preventing some Fortune 500 firms from adopting social media into their marketing strategies.

Figure 2 represents that the top two reasons that companies resist social media are a) not knowing where to begin and b) the fact that there is no established way to measure the effectiveness of social media. Another leading factor is that companies lack the budget to fund social media. A very small
percentage of Fortune 500 companies do not feel that there are any barriers preventing their corporation from adopting social media into their marketing strategies.

There are a variety of reasons that nearly one-third of Fortune 500 companies across the nation are hesitant in “going social” (Ostrow, 2009). Some marketing executives have not yet entered the social realm due to fear of the unknown. “The social media marketing landscape is murky: there are numerous potential channels available and they don’t all yield the same return on investment,” (DeMers, Feb. 2014). Some faced with little research and no experience, many companies are taking a wait and see attitude, believing it is not a match for their consumers. Trends indicate that that is not so. According to the Social Media Today’s Trends and Predictions of 2014, companies must understand first and foremost that “social media is not an option.” Businesses must integrate social media into their marketing plan. It will be expected and will hinder sales if they don’t (Johnson, 2013).

Take Apple, #6 on Fortune 500 list (Fortune), as an example of how a company that has successfully formed its brand personality without the use of social media and in return has not experienced any measurable losses. Apple does not have an official Twitter or Facebook account, and this has not seemed to hurt the brand’s growth. Brian Solis, principal analyst at Altimeter Group, said “The truth is, if they didn’t have that momentum going into this new, connected generation they would have to do it,” he said. “They already had word of mouth and that word of mouth continues. They already had that momentum”
(Wasserman, 2012). What Apple seems to prove is that a company can be successful without dominating social media (Shaughnessy, 2012). In Apple’s case, the key, however, is the product.

There are also many risks that companies are faced with when throwing themselves into the social realm. While social media has many advantages, some large corporations have jeopardized their brand as well as their customer loyalty in attempt to land the ideal social strategy. The competitive nature of online chatter has forced some of the top Fortune 500 companies to run into various ethical controversies in their early attempts to adopt social media as a marketing tool.

Kmart, ranked #48 on the Fortune 500 (Fortune), fell victim because of a controversial incident on Twitter following the 2012 Newtown school shooting. They tweeted, “Our thoughts and prayers are with the victims of this terrible tragedy. #PrayforNewtown #CTShooting #Fab15Toys,” adding a promotional hashtag after paying their respect (Calderon, 2013). The insensitivity of linking a call for prayers with a commercial purpose was viewed as appalling on social media sites and created a negative backlash over its sincerity.

Chris Brathwaite, vice president for media relations and corporate communications at Sears Holdings, which owns Kmart, issued a comment the following day, saying, “Kmart used the hashtag #Fab15Toys earlier today to notify participants of a Twitter chat that it was ending early due to the tragedy in Connecticut. The hashtag is necessary to notify chat participants of the message.
This was not used for any promotional reasons.” For many Kmart Twitter followers, according to businessweek, “it was too little, too late” (Keller, 2012).

The overarching question is how to measure return on investment (ROI) using social media. According to a report by Huge Inc., without the knowledge generated by point-of-sale data, regional advertising campaigns or product placement, it is harder to assess the impact of viral campaigns. Figure 3 demonstrates how businesses must balance multiple, mutually reinforcing tactics to optimize and monetize the social graph (Gibbs, 2014).

Figure 3

The High-Wire Act

This graph depicts the desired balance that a company should maintain between their paid and owned content in order to drive return on investment, according to a Huge Inc. study on measuring social media success.

As shown in Figure 3, paid media is emphasized as an important step in building an audience for a company. In addition to paid media, companies must engage their users through all owned media and keep them involved with the brand through continuous interaction (Gibbs, 2014). Parallel to this step is the
need to promote viral content in order to optimize the brand to its fullest potential. In terms of driving ROI, marketers need to map their social media goals to specific metrics. Depending on a company’s brand, the metrics could include anything from net sales, call center value, or increased brand and loyalty. The final stage in the framework in Figure 3 is demonstrating how paid, owned and viral efforts supported the original business objectives. Sales must be evaluated against comparison of individual company values in order to yield results (Gibbs, 2014).

**Purpose of the Study**

The purpose of this study is to demonstrate the impact that social media has had as an effective marketing tool for four selected top Fortune 500 companies and the implication for executives to move forward. Exploring how companies use social media to optimize their marketing strategies and generate increasing revenue is paramount because of its growing capacity in the marketplace. Academic research is scarce because of its evolving nature. Professional publications are also just beginning to examine the impact in a scholarly fashion. This study adds to the growing body of literature on social media.

This will prove useful to companies who wish to understand how social media can be utilized to drive sales and optimize marketing. The results from interviews with four selected Fortune 500 companies will explain the measures that have been taken in order for social media to be used to each company’s
advantage. Marketing professionals at the four Fortune 500 companies were asked following questions by the researcher:

**RQ1**: Describe your company’s social media strategy.

**RQ2**: What social media networks is your company currently using? Which ones have proved to be the most successful?

**RQ3**: Have your company’s marketing and advertising strategies changed in result of evolving social and networking patterns?

**RQ4**: Has your company seen a significant increase in the sales of products and service since joining social media networks?

**RQ5**: Has your company run in to any obstacles in rolling out new digital strategies? How do you deal with competitors?

**RQ6**: What are your company’s future sales/marketing vision and goals?

**Methodology**

The researcher interviewed social media managers and marketing professionals at four Fortune 500 companies in Atlanta, Ga. Interviews were conducted in January 2014 at their respective offices. The four participating companies were AT&T, United Parcel Service, Coca-Cola Company, and Georgia Power Company, one of the four retail subsidiaries of Southern Company. These four companies differ in terms of the services that they provide and their specific marketing needs, but are similar in that they were each designated as 2013 Fortune 500 companies by *Fortune* magazine; this designation is made on an annual basis and denotes the nations top 500 largest public corporations (*Fortune*).
*Fortune* magazine ranks companies based on their total revenues for their respective fiscal years (Fortune). The four participating companies are present in the top 200 on the Fortune 500 list: Coca-Cola ranked #57, AT&T ranked #11, UPS ranked #53, and Southern Company ranked #171 (Fortune). They were selected because of their relevance to this study and access to the researcher.

Cross-sectional analyses of these company’s individual social media presence and marketing strategies were completed after a series of interviews with top marketing and social media professionals from each organization. The four companies were selected based on the availability of the sources.

**Significance of this Study**

This study is significant because it provides insight into the thought processes, motives, and expectations of the four selected executives toward social media. It offers a window on how businesses are adapting their business models and investments in social media innovation and as well as the future thinking of key decision makers.
CHAPTER III: CASE STUDY

Overview

These case studies are based on a series of interviews with marketing and communication executives at four top 100 Fortune 500 companies. As described earlier, each executive was asked a uniform set of questions to ensure accurate development and analysis of unique company social media strategies. The data collected is organized by the four Fortune 500 companies and includes each of the six core research questions asked by the researcher.

Coca-Cola Company

*RQ1: Describe your company’s social media strategy.*

An enduring classic that has evolved over its 127 years of existence, Coca-Cola remains the most recognizable—and one of the most valuable—brands in the world (Interbrand, n.d.). Both of the two Coca-Cola executives that the researcher interviewed underscored “Brand Love,” getting customers to fall in love with their brand, as the most important aspect of the company’s social media strategy.

“We have over 22 million customers, and 3 percent of all beverages consumed world-wide are Coke products,” explained Alessandra Cascino, Coca-Cola’s Shopper Technology Manager. “We are moving toward using social media
to get our huge customer base to fall in love with our brand. Digital is the medium that we can use to find the gap between the people who love our brands and the people who are actually buying our products.”

The soft drink giant focuses on building customer loyalty, rather than improving short-term sales, and measures “brand love” to strengthen its long-term position (Warc, 2010). Laura Houghton, Coca-Cola’s senior social media manager, explained, “We want people to feel a personal connection with everything that we post on social media.” Houghton is one of the many Coca-Cola employees who believe that the more people who love their brand, the more people will drink Coke products.

Coca-Cola has achieved an impressive digital presence through its universally relevant theme that weaves throughout the brand’s communications: happiness (Interbrand, n.d.). While Coca-Cola is a very conservative brand, it is still “fast-forward, and always has and always will follow the trends of social media,” Houghton said.

“Coke is sold in 206 countries, so global sits at the center as far as our social media strategy is concerned,” explained Houghton. Because the company’s scope is global, “social media is one of the most complex groups to monitor.” Coca-Cola’s new approach is “The Hub,” a nervous system connecting 300 front line marketing personnel to manage and run digital conversations (Greenberg, 2013).

*RQ2: What social media networks is your company currently using? Which ones have proved to be the most successful?*
Before the outbreak of social networking sites in the 2000s, blogs controlled the digital space. Coca-Cola was one of the many companies that initially looked to blogs to help kick-start its online presence. “Blogs were our only means of digital marketing in the early days of social media,” Houghton explained. While companies have transferred their attention toward other social mediums overtime, it still finds value in blogs. Coca-Cola refers to its current blogging strategy as “blogger outreach,” according to Houghton, which is “what we like to call our ‘Digital Word of Mouth.’”

After blogging came Facebook for Coke. Before big time brands like Coca-Cola could figure out the legality of social media, fans were creating Facebook pages for them. Though there are hundreds of pages on Facebook devoted to Coke, a page created not by Coke’s marketing team but by Dusty Sorg and Michael Jedrzejewski, a couple of fans from Los Angeles, was the only one to amass millions of fans (SocialMedia.org, 2009). According to Houghton, when Facebook started enforcing its policy that only allowed for people authorized or associated with a company to make a branded “page,” Coca-Cola “collaborated with Sorg and Jedrzejewski to make the page less of a fan site and more of a company page.” Sorg and Jedrzejewski still serve as administrators of the page, along with Coca-Cola’s director of worldwide interactive marketing (SocialMedia.org, 2009).

Facebook, Coke’s first social media site, is still the company’s largest social influence with “Fan’s 1st” being its motto. Coca-Cola’s Fan Page is currently the #6 most liked and followed Facebook page, and while this is still
very high, the company was even higher up on the list in previous years (Laggerty, 2014).

“After Facebook we then expanded to Twitter and Instagram,” explained Houghton, which each have unique marketing perks. “What Twitter has that other mediums don’t is key ‘mega influencers,’” explained Cascino, who are the bigwigs who can make a tweet go viral and have the ability to mold people’s opinions (Social Samosa, n.d.). On Instagram, Coke can “promote ‘Brand Love’ by re-sharing other users photos, and by posting photos that will appeal to a smaller group of potential super lovers,” Cascino said. Coca-Cola has plans to expand its social media presence to utilizing Snapchat, a photo messaging application. According to Houghton, “Snapchat is still up in the air, but it is a definite option.”

**RQ3: Have your company’s marketing and advertising strategies changed in result of evolving social and networking patterns?**

The growth of social media has created several new communication tools for companies such as Coca-Cola in recent years. Due to Coke’s global scope, it has had to change its method of brand delivery. “We are working toward finding an organic way to geo target our customers,” explained Houghton, so that customers receive specific advertisements or content depending on their location.

With social media has come a new means of marketing that ceases a company’s ability to control what is being said about them. “What we are experiencing is an explosion of conversation, explained Houghton. “Because social is not a medium that we control, we don’t own the brand, but we can
participate. The most we can do is respond to our customers and take down things that may misrepresent us.”

*RQ4: Has your company seen a significant increase in the sales of products and service since joining social media networks?*

What social media has done is allowed companies like Coke to create and strengthen relationships with its customers, customers that will in turn buy more of their products (Warc, 2010). But, according to Houghton, “social media is such a nuanced area,” so it is hard to pinpoint exact sales lifts. “We have lots of sites that give us the data and metrics we need to know what works and what doesn’t work as far as social goes. But what it all comes down to is trial and transaction,” Houghton explained.

Coca-Cola does not put offers or opportunities for customers to purchase products directly from its social media websites, a tool that would allow the company to draw specific sales metrics. But they do use sites such as Datalogix, according to Cascino, to track the demographics of Coca-Cola shoppers and measure the offline sales lift that results from various digital advertising and marketing campaigns (Datalogix, n.d.).

Cascino argues that while they can use social media to drive sales, it is very preliminary. “A better way for us to use social media is to get our customers to fall in love with our brand, which ties back to our ‘Brand Love’ strategy,” Cascino explained.

*RQ5: Has your company run in to any obstacles in rolling out new digital strategies? How do you deal with competitors?*
The Coca-Cola executives did not report any specific obstacles that the company has encountered due to implementing new strategies, but did comment on how they compare themselves to their main competitor, Pepsi. According to Cascino, “When it comes to our competitors, we work very similarly. We have everyone beat out on Facebook, but not necessarily on the other mediums. Pepsi does a lot in the digital space, and they have an advantage in that they are traditionally much more edgy and in turn have a very strong youth campaign.”

*RQ6: What are your company’s future sales/marketing vision and goals?*

In 2009, Coca-Cola CEO Mukhtar Kent drew up the ‘2020 Vision' for the company and its bottling partners, which chalks out a roadmap for doubling Coke's business in 10 years (Mitra, 2013). This vision gave birth to Coca-Cola’s vice president of global advertising strategy and excellence Johnathan Mildenhall’s Content 2020 advertising strategy, which puts content at the core of its mission: “All advertisers need a lot more content so that they can keep the engagement with consumers fresh and relevant, because of the 24/7 connectivity. If you’re going to be successful around the world, you have to have fat and fertile ideas at the core.”

Cascino said that within the shopper technology space, the more immediate marketing goal is to “crack our customers in the social commerce space, and to see more customers using their phones to make mobile payments in our stores.” ‘A Coke in one hand, a phone in the other.’ This is just one of the many ways that Coke is using social to optimize their marketing strategy.
RQ1: Describe your company’s social media strategy.

AT&T has recently experienced improvement in terms of its social media strategy. The company was just recognized by CIO magazine and InformationWeek for its ability to communicate with customers in the digital space. In an interview with Karen Bennett, AT&T’s vice president of mobility digital experience, she outlined the factors that resulted in AT&T’s marketing transformation. According to Bennett, “An important tool that social media presents for us is the ability for our customers to see third-party reviews. Another is our employee chat service, where we are available 24/7 to answer both customer care and sales questions to customers online.” In other words, AT&T has taken social listening to the next level, altering the way that AT&T interacts with its customers and reducing the time it takes to spot and resolve budding issues online (SnapTrends, 2013).

“Mobile” plays an important role in AT&T’s social media and marketing strategy. Bennett explained, “Our marketing strategy has grown in the past year, because we are now using mobile as a social tool. 50 percent of the traffic to ATT.com comes through mobile devices.” A large portion of AT&T’s advertising budget is dedicated to mobile advertisements. According to Bennett, “as far as mobile applications go, we make use of display ads on various Smartphone applications to market our products and services.”

RQ2: What social media networks is your company currently using? Which ones have proved to be the most successful?
AT&T is active on all relevant social media networks, including Facebook, Twitter, YouTube and Flickr. The company’s social media pages are manned by employees, “who've ingeniously managed to combine corporate communication, marketing and e-commerce” (Slaughter, 2010). AT&T’s two Facebook pages, AT&T and AT&T Share, have nearly 250,000 likes each, and serve the purpose of both informing customers of special offers and tips as well as responding to their needs and complaints via posts (Slaughter, 2010). The company’s multiple Twitter accounts serve similar purposes.

Like Coca-Cola, AT&T uses Facebook and Twitter specifically to monitor conversations about the company and to better identify the needs of its customers – both current and potential – allowing them to build stronger relationships around the brand (SnapTrends, 2013). According to Bennett, “Social plays a huge role in our customer care division, our group deployed to respond to our customers’ posts on both Facebook and Twitter.”

*RQ3: Have your company’s marketing and advertising strategies changed in result of evolving social and networking patterns?*

According to Bennett, “For so long, AT&T’s marketing strategy has been focused on face-to-face interactions with customers. So the most recent task that we have been faced with is the obstacle of simplifying our products and promotions so that they work for digital.” Marketing executives have spent the last decade experimenting with various transition tactics. “For the past 5 years, AT&T has used social media for servicing purposes. Now we have expanded its usage to selling products as well,” Bennett explained.
In 2007, AT&T launched a marketing campaign aimed at meeting the needs of their customer’s then-mobile lifestyles. Called “Your Seamless World,” the ad campaign featured mobility services and situations that spoke to the on-the-go lifestyles of their consumers, both customers and businesses (AT&T Press Release Archives, 2007). During the several years following the launch of this campaign, AT&T has had to adjust versions of this campaign in order to better comply with evolving social media trends.

**RQ4: Has your company seen a significant increase in the sales of products and service since joining social media networks?**

AT&T’s answer to this question: Yes. “We have definitely seen an increase in sales of products and services since joining social media networks,” explained Bennett. In 2011, Sander Biehn, an AT&T employee in B2B (Business-to-Business) sales, put together a new sales team to rebuild business relationships with a Fortune 100 company in Atlanta (Biehn, 2013). Biehn explained, “We decided to take an entirely new approach that heavily favored building relationships through social media.” This strategy involved putting together helpful content related to potential solutions for customers, deciding that the primary source of this new content would be AT&T’s B2B blog, called Networking Exchange and building a network through Twitter and LinkedIn. Inside of 18 months, $47 million in brand new business was awarded to AT&T, directly attributable to social media outreach (Biehn, 2013). This is one example of the progress that AT&T has made in terms of social networking over the past several years.
RQ5: Has your company run into any obstacles in rolling out new digital strategies? How do you deal with competitors?

Less than a year ago AT&T was faced with one of the company’s most controversial situations in the history of the company owing to social media. On the 12th anniversary of the 9/11 attacks, AT&T posted an image of the 9/11 Memorial “Tribute in Light” on the screen of a Blackberry Z10 and an accompanying tagline, “Never Forget” (Buss, 2013). According to Bennett, “Social media blew up about the ad, which depicted the twin towers on an iPhone, because they thought that AT&T was taking advantage of the event to advertise our products.” The company was there to respond the moment that the media cried out. Bennett explained “AT&T’s response to the controversial ad marked the first time that AT&T responded on a care end perspective.”

When it comes to social media, a majority of Fortune companies are taking similar steps and are seeking to remain relevant, innovative and competitive within the social space. According to Bennett, “I think that we are investing more in to social media in comparison to our competitors. But ultimately we are all probably pursuing similar steps based on customer demand.”

RQ6: What are your company’s future sales/marketing vision and goals?

As consumers shift a handful of their searches and purchases to online, AT&T executives have reevaluated their future in terms of retail. “Our CEO’s 2020 objective is for 80 percent of the transactions occurring in our retail stores to be moved to the digital space. This alone will completely transform the company organizationally,” Bennett explained.
United Parcel Service, Inc. (UPS) has a multi-faceted social media strategy that focuses on the ideals of brand communication and customer service. The company’s digital strategy intends to engage as well as activate its target audiences which includes employees, customers, shareowners and the media.

“When it comes to social media, we have two sides,” explained Brain Pember, UPS’ customer communications senior manager. “The first side is the traditional one-way communication aspect, and the second is the customer service side, which is being used more and more in recent years.”

A strong customer-support system is crucial for UPS, a company that delivers more than fifteen million packages a day to more than six million customers (Sernovitz, 2012). The company is beginning to move away from utilizing social media as a medium to advertise their brand and is directing more attention to responding to what customers need. “Most of our messages sent through social media sites are marketed toward responding to the customers who are voicing complaints and needs,” explained Pember.

According to executives, UPS has stuck with its traditional advertising method and uses only the inexpensive tools that social media channels have to offer. “We use brands as publishers, and utilize the most cost effective channels within social media, like LinkedIn,” Pember explained. Because money is a concern, LinkedIn is UPS’ prime marketing channel within the social space. “LinkedIn gives us the opportunity to target and focus in on different segments,
which allows for a deeper level of business conversation,” Pember said. In order to save money, the company has begun to boost its organic content on social media, which includes posts, inmail and display ads.

While UPS focuses its social media efforts on LinkedIn, it also uses social media sites such as Twitter and Facebook to listen to complaints and in turn answer them. “We use these sites as listening channels and evaluate what our customers are expressing rather than creating conversations with them,” explained Pember. “Twitter is much more effective when directed at a narrow group because they will respond and relay their satisfaction.”

Social media channels thus allow UPS to collect business intelligence as to what they are doing wrong and how they can improve different sides of the business (Social Media in Business, 2012). “Before social media, we were making broad brand changes rather than channel changes,” explained Maureen Healy, vice president customer communications for diversity and marketing at UPS. “Now, we change advertising techniques and strategies through evaluating customer responses to social media and then implement changes all across the board.”

RQ2: What social media networks is your company currently using? Which ones have proved to be the most successful?

UPS has had a Facebook page since the birth of the networking site. According to Pember, UPS was one of the first companies to form customer relationships via Facebook. “Unlike Coca-Cola, we created our Facebook page ourselves instead of by our fans,” explained Pember. “We realized that if we
didn’t make the initiative to quickly take control, our customers would have created our voice for us.” The company also maintains a YouTube channel, and, as previously mentioned, a Twitter and LinkedIn account.

UPS has seen the most success in focusing social efforts by directing messages to narrow groups rather than its extended public. “The upside of targeting our message to smaller groups of people is that we are able to receive a higher level of response,” said Pember. Closing in on different segments allows UPS to establish deeper connections, something that it has found most manageable on LinkedIn. This is why LinkedIn, as mentioned in RQ1, is UPS’ prime channel that yields the most success for the company in terms of communication with its customers and various businesses.

RQ3: Have your company’s marketing and advertising strategies changed in result of evolving social and networking patterns?

Unlike many Fortune 500 companies, UPS has not been influenced by social media to make substantial changes to its marketing and advertising. “Our advertising strategy is still traditional,” Pember explained. “We spend little money on social because we have found that the response is far more effective this way.”

The thing that UPS has lost control of one-way communication that traditional marketing and advertising once allowed them to do. Because of this, according to Pember, “UPS’ strategy is now based on content marketing, which means being more targeted in the areas of ‘who’ and ‘what.’” As previously mentioned, UPS has begun to target specialized groups across its social realm in
order to effectively communicate with its customer base on a more personal level.

“We have been experimenting this year, and we have reorganized our audience into 8-9 strands so that we can be specific and target certain groups,” Pember said.

**RQ4: Has your company seen a significant increase in the sales of products and service since joining social media networks?**

Executives at UPS are not sure if social media is driving increased sales for the company. “We are sometimes sure that social media results in a sales transaction by tracing leads and customer actions, but in most cases it is more nebulous,” explained Pember. Like other Fortune 500 companies, UPS uses free analytical tools provided by sites that evaluate the number of “likes” a post gets on Facebook and the number of people who “retweet” their tweets on Twitter. The question has always been: does any new marketing strategy generate revenue?

At a panel discussion with technology executives from leading companies at the Economist CIO Agenda in New York, UPS Chief Information Officer Dave Barnes discussed the mutual frustration that UPS shares with other companies in breaking down the money being brought in by social media sites (UPS Pressroom, n.d.). “Not all these can be articulated in the ‘we invest X dollars showing X money back’ sort of way,” explained Barnes. Barnes continued by predicting that once social media strategies are defined across the board, UPS will be able to make sense of them in terms of business success and quality. “Just as soon as you find the rules and know what your strategy is, the benefits will be established through the metrics and you’ll see true business value” (UPS Pressroom, n.d.).
RQ5: Has your company run into any obstacles in rolling out new digital strategies? How do you deal with competitors?

UPS has reorganized its social strategy in recent years, dividing its target audience up into eight to nine strands for increased responsiveness. Because of this, executives have faced the challenge of delivering homogenous content and messages. “The challenge for us is staying consistent,” explained Pember. One reason for the ambiguity in their strategy can be related to the large scale of the company. UPS is the world’s largest small package company, operating in 200 countries and territories and serving a wide range of customers – from the smallest businesses to the largest businesses, from small entrepreneurs in the United States to emerging entrepreneurs in India and China (UPS Pressroom, n.d.).

Barnes’ thoughts on this issue compare to those of Pember. His solution to the conflict of consistency is to send customized messages to customers without becoming bureaucratic. According to Barnes, “We have to manage complexity of scale . . . We handle 15 million plus packages a day but we still have to be able to do it in a way that it looks like we’re doing it just for you rather than you’re just one of many” (UPS Pressroom, n.d.).

Establishing equilibrium between effectiveness and affordability is another challenge for UPS’ social strategy. “There is the perception that social is free, but there is a large money component,” explained Healy. UPS has chosen to boost its use of organic content accessible on social sites rather than spending
extra funds on extravagant media campaigns like other Fortune 500 companies have undertaken.

*RQ6: What are your company’s future sales/marketing vision and goals?*

UPS hopes to reach large-scale employee involvement in the coming years. According to Pember, “Our goal is to leverage massive numbers of employees on social media. We are specifically shooting to have 400,000 employees actively participating in LinkedIn in the near future.” The more digitally present employees, the more available opportunities for the company to answer the many needs of its one million plus customers.

**Georgia Power**

*RQ1: Describe your company’s social media strategy.*

Georgia Power Company the largest subsidiary of Southern Company, an Atlanta-based energy company serving the Southeast (National Business Coalition on Health, n.d.). The utility company serves 2 million customers in all but four of Georgia’s 159 counties (MoveGeorgia, n.d.). Georgia Power’s social presence has long focused on crisis communication rather than the promotion of new services. According to Stan Pollard, Georgia Power’s Director of Electronic and Creative Media, “Our social media strategy is largely focused on branding and outage communication.” The company’s brand messaging includes content that highlights its four key brand tenets: value, service, reliability and stewardship.

Safety goes hand in hand with Georgia Power’s four core tenants. “We are unique in that we have a huge responsibility for public safety,” explained John
Kraft, the media relations and social media manager at Georgia Power Company. “As a result, safety takes up a huge part of our social media activity.” In addition, Georgia Power leverages its social media platforms to communicate the vest amount of resources available to customers who experience an outage.

*RQ2: What social media networks is your company currently using? Which ones have proved to be the most successful?*

Facebook and Twitter are Georgia Power’s most frequently used and monitored social media sites. Customers interact with the company the most during power crises. “We get the most buzz during storms and power outages,” Kraft explained. “However, we do have a small customer service team that helps out with social media, but responses are not always timely.”

Georgia Power also has a YouTube channel that contains various “how-to” and construction update videos intended to help keep customers aware and informed. Although the company’s YouTube site contains valuable content, it lacks the immediacy and informational value that can be obtained by customers through both their Facebook and Twitter pages.

Georgia Power has yet to establish the push-pull marketing strategy that many Fortune 500 companies have already implemented and mastered. “Resources limit us to only “push” messages versus developing an engagement strategy,” explained Pollard. “Both Facebook and Twitter have been “equal” in terms of being leveraged to push our brand messages.”

*RQ3: Have your company’s marketing and advertising strategies changed in result of evolving social and networking patterns?*
The types of interactions that long occurred through Georgia Power’s social media websites were connections between their company and the statewide news media. These conversations concerned outage and crisis communication, with a tertiary focus on brand building, something that has taken off in recent years. “Our current social media strategy is less focused on marketing and sales and more on brand building, customer relationships and customer service in a growing sense,” Kraft explained.

Pollard agrees with Kraft in that social media allows Georgia Power to push brand messages to customers, but acknowledges that the company has yet to see significant changes as far as their marketing strategy goes. “Our strategies have not changed outside of us recognizing the need to be “active” on the social media platforms,” explained Pollard. “Our customer care and public policy advocacy needs are not being addressed.”

RQ4: Has your company seen a significant increase in the sales of products and service since joining social media networks?

Georgia Power has not attempted to measure the sales success. According to Pollard, they are unable to evaluate the relationship between social media usage and sales because “We have not fully leveraged social media to generate sales.”

RQ5: Has your company run in to any obstacles in rolling out new digital strategies? How do you deal with competitors?

The biggest obstacle that Georgia Power has faced in rolling out new digital strategies lies in the traditional skill sets of the folks currently managing new social media channels. “The skills required for traditional channels (writers,
reporters, and media interviews) are quite different from what is required of the new digital channels (channel expertise, technology expertise, monitoring and listening, search engine optimization and social media engagement),” Pollard said. Because the tools required to manage digital channels differ from those skills necessary to handle traditional media, social media executives at Georgia Power are experiencing a loss in terms of social success.

One of Georgia Power’s faults lies in their ill-timed responses methods. “Our customers contact our Twitter and Facebook accounts the most during storms and power outages, times when a majority of our company is out on the field helping to physically solve the problem at hand rather than managing social media,” explained Kraft. Georgia Power have a small customer service team that helps out with social media during crises, but, according to Kraft, “the team’s responses are not always timely.” The company is the only utility company serving the state of Georgia, so competitors are not an issue.

*RQ6: What are your company’s future sales/marketing vision and goals?*

Georgia Power executives hope to see significant marketing and sales growth within their social media sites in the upcoming years. According to Kraft, “In 5 years, I would like to see growth in the PR/brand building area as well as customer service, where I hope that social media can branch out to be a free-standing source for our customers.”
CHAPTER IV: RESULTS

This section reports the specific conclusions that the researcher gathered based on the individual case study interviews. Each of the four Fortune 500 companies represents the subheads of the chapter.

Coca-Cola Company

Social Media and Marketing Optimization

Coca-Cola Company sees “Brand Love” as its prime social media vision. The company optimizes its marketing strategy by posting content that will get customers to fall in love with their brand. Marketing and social media executives believe that getting customers to love the brand that they deliver in the digital space is what allows them to establish personal and long-term connections with both current and potential customers. It can be concluded that Coca-Cola executives spend more time on enhancing their individual strategies rather than comparing it against key competitors.

Sales Driven by Social Media Use

Coca-Cola uses sites such as DataLogix to obtain the data and metrics they need to know what works and what doesn’t work as far in terms of their social strategy. Rather than emphasizing short-term sales generated by media campaigns, Coca-Cola focuses on building customer loyalty and promoting “Brand Love.” Coca-Cola employees believe that the more people that love their
brand, the more people that will drink Coke products. The immeasurable correlation between Coke lovers on social media and the purchases that they make in the store is where the company struggles to draw sales in terms of numbers or percentages.

**AT&T**

*Social Media and Marketing Optimization*

AT&T differs from other Fortune 500 companies in that they use social media to promote product sales as well manage customer service. They use advertisements as their main social tool, dedicating a large portion of their marketing budget to implementing display ads on both social media websites and mobile applications. The other way that they optimize their marketing social strategy is by having employees available 24/7 to answer both care and sales questions to customers online. AT&T’s success resonates in customer satisfaction and the promotion of their products and services.

*Sales Driven by Social Media Use*

AT&T has executed new marketing techniques in recent years that have proved that increased sales were generated through usage of social media. One way that they proved the direct correlation between social media and sales was through a B2B sales campaign implemented in 2011. This strategy was aimed at providing potential solutions for customers, through a Networking Exchange blog and a Twitter and LinkedIn network. AT&T was awarded $47 million in brand new business eighteen months after this campaign was launched. This amount was directly attributable to their social media outreach (Biehn, 2013).
United Parcel Service, Inc.

Social Media and Marketing Optimization

UPS has a multi-faceted social media strategy that focuses on the ideals of brand communication and customer service. The company optimizes its digital strategy through the engagement and activation of their target audiences, which includes employees, customers, shareowners and the media. Because of the vast nature of their customer base, UPS finds that focusing in on specific segments of people allows them to establish deeper conversations and ultimately more valuable relationships. The company also uses social media as a listening channel to evaluate how their customers perceive their services. UPS thus optimizes social channels by collecting business intelligence into their operation and making changes according to public opinion.

Sales Driven by Social Media Use

The shipping company has not been able to track whether or not social media usage has resulted in an increase in overall sales for the company. UPS has found success in assessing the role that social media plays in a sales transaction through tracing leads and customer actions, but in most cases the correlation between social media and sales is indeterminable. UPS uses free analytical tools provided by sites such as the evaluation of the number of “likes” a post gets on Facebook and the number of people who “retweet” their tweets on Twitter, but these are numbers are unrelated to sales.

Georgia Power Company

Social Media and Marketing Optimization
Georgia Power Company optimizes its marketing strategy by providing customer service to all citizens whom receive power throughout the state of Georgia. Because the utility company has an immense responsibility for public safety, they utilize social media to deliver storm and power outages updates as well as answers to any questions and concerns customers may direct their way. Its social media strategy is also largely focused on branding and outage communication, which includes highlighting its four key brand tenets: value, service, reliability and stewardship.

Sales Driven by Social Media Use

As mentioned above, Georgia Power has a limited number of products available for purchase online; therefore revenue is inconsequential to their social media purpose. Georgia Power has not been able to measure the sales driven by social media use because they have not yet fully leveraged their channels.
CHAPTER V: CONCLUSION

This case study found that executives at the selected four Fortune 500 companies collectively maintain relevant social media websites and perceive social media as an important marketing tool. Each of the participants that were interviewed recognized the demand for their company to stay in tune with social trends and the impact that digital involvement has on their ability to market products and services to their best potential.

The four marketing executives collectively observed that social media allows for intimate and immediate conversations with customers that were not found in traditional methods of communication. The move from traditional, one-way customer interactions to two-way communication made possible through social media networks has allowed executives to use sites like Facebook and Twitter as listening channels through which they can evaluate what their customers are expressing about their company, thus increasing their business intelligence. Participants also acknowledged the opportunity that social media presents in terms of increasing brand awareness and customer loyalty.

Being active on social media is no doubt an effective and critical choice of action for Fortune 500 companies. While the four participating executives acknowledged social media as a pivotal element of their marketing strategies, they shared a mutual concern over whether or not their strategies generate significant,
measurable sales for the company. As previously mentioned, the top reason that marketing professionals are refraining from involving their companies in the social media stratosphere is because there is no established way to measure its effectiveness (Grainger, 2010).

The barrier that executives are facing is the complex task of measuring the ROI from their social media campaigns. While it is important to know exactly how much worth social media marketing is bringing to a business, it can be difficult to know the exact numbers (Morgan, 2013). Whether or not social media participation generates significant sales for a company has not been confirmed, but executives continue to make use of standard analytical tools in order to measure customer responses to their brand and marketing campaigns within the medium.

**Recommendations**

*To Future Researchers*

The qualitative, in-depth interview method used by the researcher was the most appropriate method for this project. The assemblage of scholarly questions that the executives were asked secured critical insight into how social media, marketing and communication professionals at the four Fortune 500 companies use and measure social media efforts.

The multifaceted and complex nature surrounding the subject of social media proves that a larger pool of interviewees could be more effective in penetrating the topic and yielding more specific results. In addition to the evaluation of more Fortune 500 executives, more questions involving numerical
data and statistics could be asked by future researcher to further the preciseness of the study.

*To Fortune 500 Companies*

It is recommended that companies, not just Fortune 500 companies, consider the following:

- Identify a distinctive social media strategy that embraces company values
- Maintain an active presence on all relevant sites
- Establish consistent brand delivery amongst all sites
- Ensure site managers are prompt and represent the company’s core values
- Aim for large-scale employee participation on social media sites
- Continue to prove out ROI models for *all* social media campaigns
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