

# Renovating Social Media to Avoid Risk

September 20, 2011

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## Social Media's Place in the Corporate Communications Toolbox


Revised: September 2011

# Connecting with our employees

**BEST BUY** **Brian's Whiteboard**

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**Where's Brian?**



Follow Brian's Travels

**I Recommend...**

@15  
Teens help Best Buy decide where to donate next.

About Best Buy  
In case you haven't heard of

**The D. Brief News and thoughts**

On one of my earlier trips this year, I had the privilege to visit Best Buy's Shepherdsville Distribution Center (it's pretty close to Geek Squad City in Louisville). This DC works mainly with BestBuy.com orders and has a really cool state-of-the-art warehouse control system – it uses touch screen technology! The building and the technology are impressive, but I was thoroughly inspired by the employees.

Our Shepherdsville DC is the first time our distribution department reached out to partner with local community agencies to hire candidates with disabilities. Just like Best Buy's focus on being a strengths-based organization, the culture in the DC is to focus on people's strengths. It's always exciting for me to see one of our employees doing a job they really love because they excel at it. It's a great way to divvy up the work that needs to get done. I'm proud to be a part of a company where everyone is included and their strengths are valued.

Check out the video below for a really great story about this facility.

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THE MAGAZINE  
December 2010

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## How I Did It: Best Buy's CEO on Learning to Love Social Media

by Brian J. Dunn

twitter

**Brian J. Dunn**  
@BBYCEO Minneapolis  
CEO of Best Buy  
<http://www.bestbuy.com/briandunn>

BBYCEO (Brian J. Dunn)  
We open the first Best Buy store in the UK this week. Thank you to the employees who have worked so hard to bring Best Buy to

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# Connecting with our customers

The image shows a screenshot of a Twitter profile for Twelforce Best Buy and the Best Buy Community page. The Twitter profile includes a bio, statistics (43,003 tweets, 2,618 following, 34,791 followers, 1,578 listed), and a timeline of tweets. The Best Buy Community page features navigation links, a search bar, and a list of community topics.

**Twitter Profile: Twelforce Best Buy**

**About @twelforce**

**43,003** Tweets | **2,618** Following | **34,791** Followers | **1,578** Listed

**Connections**

Also followed by @BBYNews, @hoffwil, @janijhaveri, and more

You both follow @GSAgentP, @BBYCPresident, @Agentscreech, and more

Following 2,618

**Timeline** | Favorites | Following | Followers | Lists

**twelforce** Twelforce Best Buy  
@sirrony <http://bit.ly/h4nvGe> It's my understanding that all CR2025's are standard 3-volt (3V) lithium batteries. via @Jase\_BBY  
30 minutes ago

**twelforce** Twelforce Best Buy  
@NickJetson <http://bit.ly/eQDsPm> If you haven't, I would move the data off the drive to your mac and then reformat the driv... via @Agent3012  
40 minutes ago

**twelforce** Twelforce Best Buy  
@GabGonzalez if its past 14 days & you dont have a : I'd recommend contacting the manufacturer for a new

**Best Buy Community**

Best Buy | Geek Squad | Reward Zone  
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**BEST BUY COMMUNITY**

ASK. LEARN. DISCUSS.

Community Information »  
Technology & Me »  
Reward Zone »  
Military »  
Customer Service »

SIGN IN ▾ If you do not have an account, [create one](#) now.

Community Search

Community  
Community Information (1 Item)

Videos

# Connecting with our stakeholders



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The BBY: All the news from the brands and operations worldwide of Best Buy Co., Inc.

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## Latest News



**WATCH: BEST BUY CEO BRIAN J. DUNN TO DELIVER KEYNOTE AT BOSTON COLLEGE CENTER FOR CORPORATE CITIZENSHIP INTERNATIONAL CONFERENCE**

APRIL 8, 2011



**ACER ICONIA TAB A500 TABLET SUPER-CHARGES MOBILE HD ENTERTAINMENT, CONNECTIVITY**

APRIL 8, 2011



**BBY** Stock Quote (NYSE)

**\$30.46** ▲ 0.7575 (2.55%) 20 minute delay

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Nicki Minaj At Launch Of The Casio's New TRYX Digital Camera At Best Buy Theater In

WATCH: Best Buy CEO Brian J. Dunn to Deliver Keynote at Boston College Center for Corporate



Voices

# Connecting across all channels

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Nicki Minaj At Launch Of The Casio's New TRYX Digital Camera At Best Buy Theater In  
WATCH: Best Buy CEO Brian J. Dunn to Deliver Keynote at Boston College Center for Corporate

## F11 sustainability report launch

- In the first 2 weeks (July 11 – July 24) the report received:
  - 6,443 Page Views
  - 3.86 Pages/Visit
  - 3:35 Average Time on Site

## F11 report webinar & chat, July 21

- 506 unique viewers of the streaming event on BBY.com
  - countries: USA, UK, Sweden, India, Netherlands, Canada, Bermuda, Mexico, Brazil, Italy, China & Spain
- 179 unique visitors to the BBY.com online chat forum
- Twitter engagement via #bbycsrchat –
  - New @BBYNews followers: 5,832
  - Tweets with #bbycsrchat Hashtag: 240+
  - Estimated Total Twitter Mentions: 655
  - Estimated Total Twitter Impressions: 2,574,396

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Holiday Company News Connected World Sustainability Voices

**Sustainability** Send Feedback

**Sustainability Stories & News**  
> Show News Filters

**Fiscal 2011 Sustainability Report**

**Introduction**

- Letter from the CEO
- Letter from Mary Capozzi

**Management Approach**

- Product Stewardship
- Sustainable Solutions

Our World, Connected  
FISCAL 2011 BEST BUY SUSTAINABILITY REPORT  
**BEST BUY**

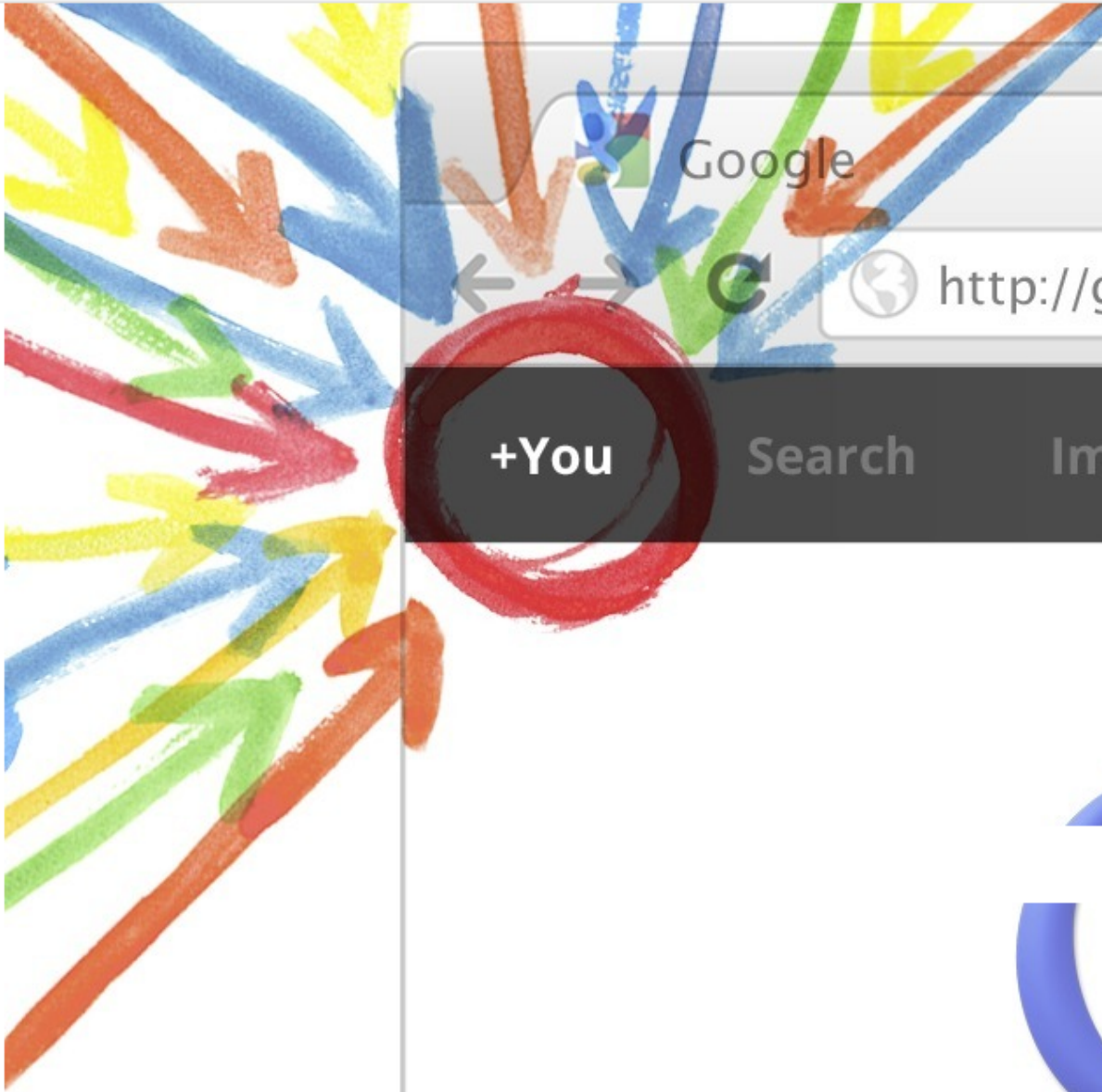
# Five ways we do it

1. Our people are the “human search engine,” so accept as part of our business
2. Social media policy is part of Code of Ethics, consistent with disclosure rules
3. Integrate into the business – make it part of our standard communications channels with all stakeholders (internal and external)
4. Make it personal (reflect the brand as the human face of technology)
5. Constantly adapt and try new things as we grow

## Information and statistics

- <http://www.facebook.com/press/info.php?statistics>
- <http://press.linkedin.com/about>
- [http://www.youtube.com/t/press\\_statistics](http://www.youtube.com/t/press_statistics)
- <https://foursquare.com/about>

# the Google+project



**Join Google+**  
Just sign in with your Google account to start using the new parts of Google.

[Sign In](#)



**+You** Search Images Videos



## Legal considerations

- **Social media is regulated by a variety of regulators, including:**
  - **Federal Trade Commission (FTC)**
  - **Financial Industry Regulatory Authority (FINRA)**
  - **Securities and Exchange Commission (SEC)**
- **Regulation of social media will increase**
- **Recent FTC enforcement actions**

## Example of recent social media regulation

- **FTC Guides Concerning the Use of Endorsements and Testimonials in Advertising (2009)**
  - Do not make false or unsubstantiated statements
  - Fully disclose material connection between advertiser and the endorser that might materially affect the weight or credibility of the endorsement (for example, advertiser providing endorser with free products, employee of advertiser, etc.)
  - Recent FTC enforcement actions

## **5 common provisions in social media policies**

- **Use common sense and do not be misleading**
- **Do not disclose confidential or proprietary information**
- **Do not disclose material nonpublic information**
- **Comply with company policies and applicable law**
- **Identify yourself and fully disclose your affiliation when you communicate about the company**

## **Social media policies**

- **Review policies and determine whether to amend existing policy for social media or establish a new social media policy**
- **Make sure policies are consistent and integrated**
- **Train and educate employees and others with responsibility**
- **Social networking is multi-disciplinary – all areas that are implicated should work together**
- **Anticipate having to respond to a crisis - how would it look in the newspaper and other media?**

## Employees' right to engage in protected concerted activities

- **Under the National Labor Relations Act, both union and non-union employees have the right to engage in protected concerted activities:**
  - Right to discuss (*i.e.*, complain about) working conditions with coworkers
- **National Labor Relations Board has reviewed more than 100 cases involving social media:**
  - Key issue is whether policy chills employees' participation in protected concerted activities

## **Employees' right to engage in protected concerted activities**

- **Beware of policy provisions that prohibit:**
  - **Disparaging the company, management, etc.**
  - **Discussing wages, corrective actions, investigations, etc.**
- **When investigating or responding to employees' online activity, avoid actions that could be considered interference with employees' right to engage in protected concerted activities:**
  - **Threats**
  - **Unlawful surveillance**
  - **Selective enforcement of company policies**

## **Social media monitoring**

- **Entry into social media likely involves monitoring by:**
  - **Company**
  - **Outside provider**
- **Court cases**
  - **Any expectation of employee privacy? (for example, 2010 U.S. Supreme Court case in Quon)**

## Some practical considerations

- **Obtain signed written consent for use of individual's picture on social media website (right of publicity)**
- **Social media as a source of information – regulators and news media**
- **Litigation/e-discovery/record retention**
- **Convergence of mobile devices and social media**

# 58

Percent of Americans Using  
Social Media Sites

## Maturing Medium

A **majority of consumers** are engaging with social media.

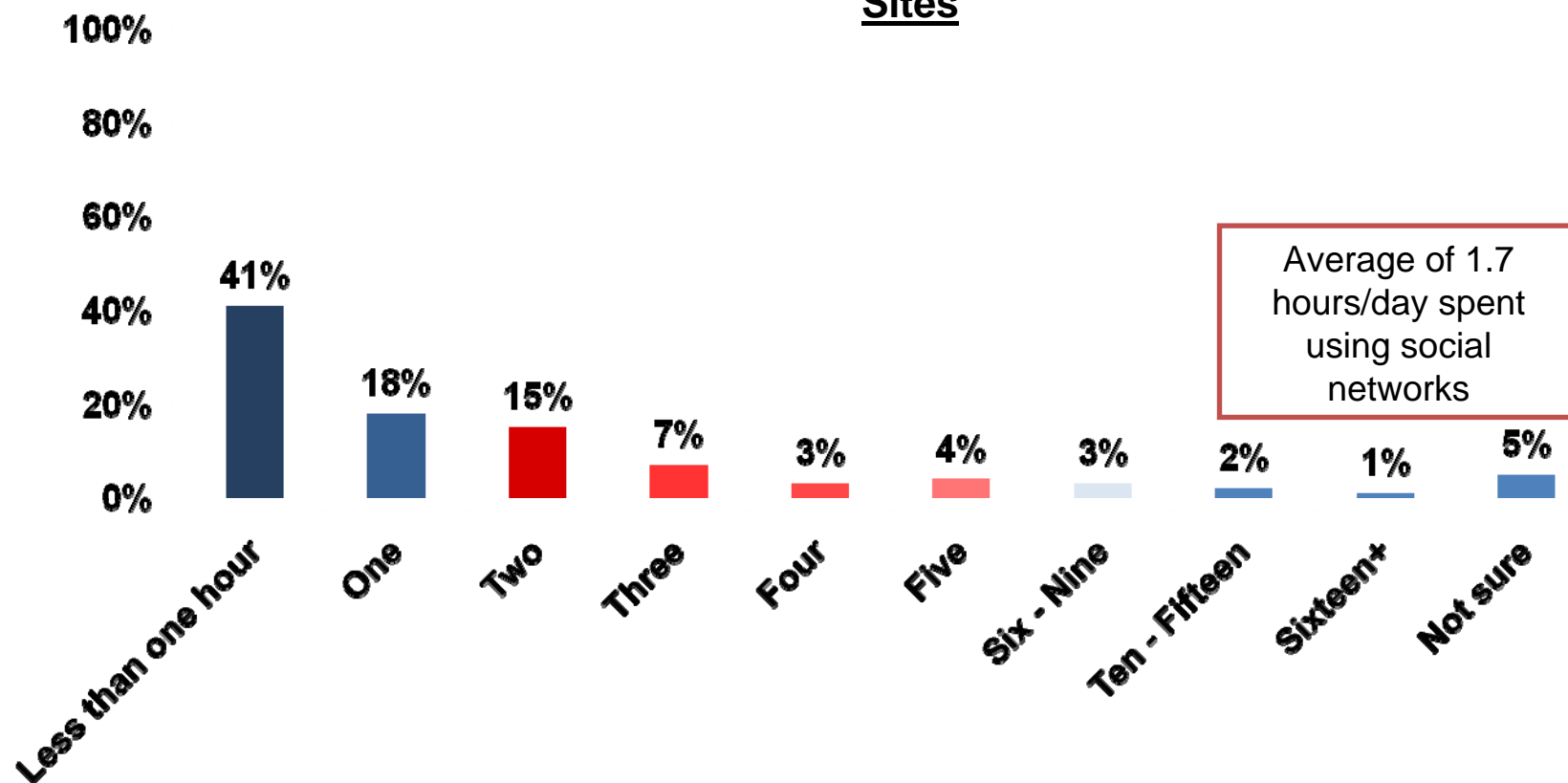
**Magid projections show reach growing to 62%** in the next year as consumers continue to adopt the platform.

More 18-34 year olds get their news from social media than the newspaper.

**Today, social media is not niche.**

## Social Network Users Spend Nearly Two Hours On The Sites Daily

### Ave. Hours/Per Day Spent On Social Networking Sites



Base: Those who social networking sites regularly N=1432

Q.66 How many hours do you spend on social networking sites on an average day?

# 96

Percent of Social Media Users  
on Facebook

## Dominant Player

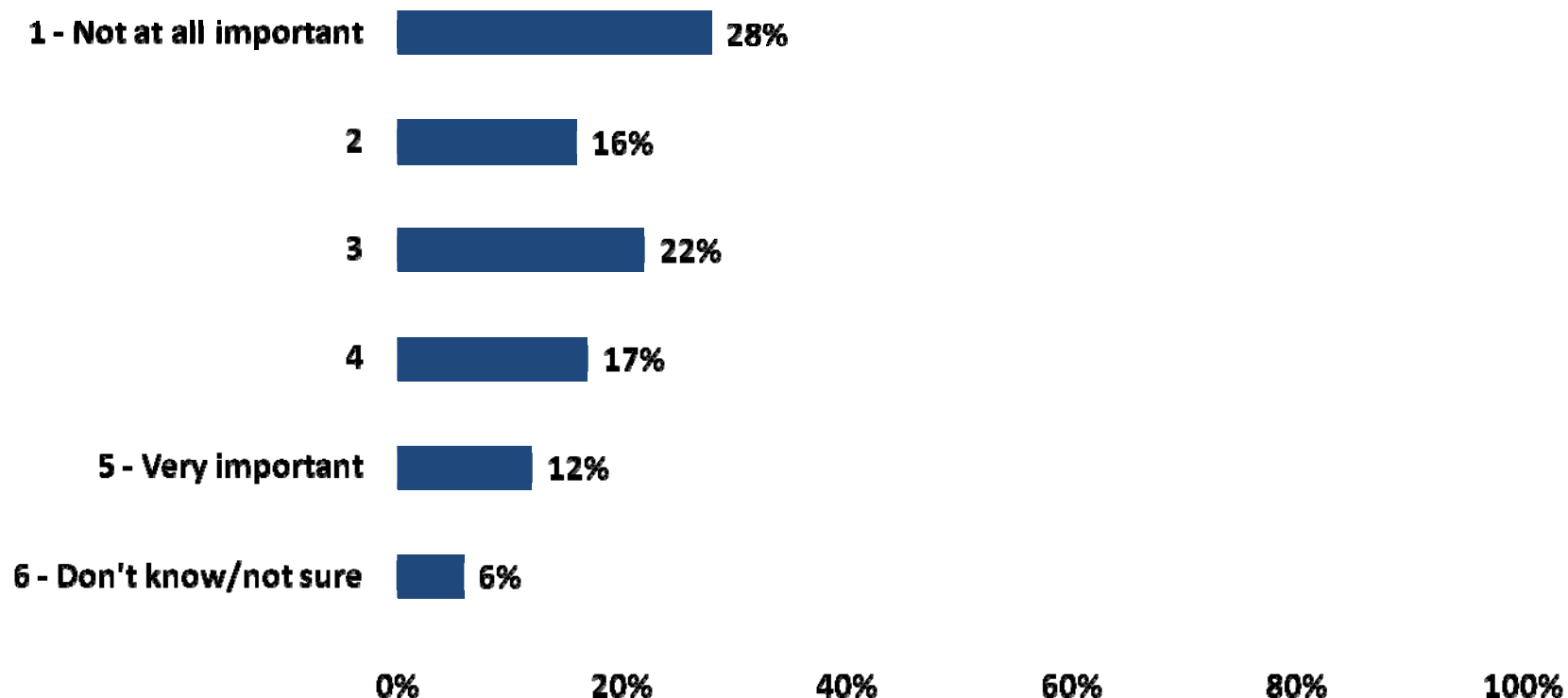
If you use social media, you use Facebook.

The reach it delivers equals awareness. But it also means that if you don't get it right, people will notice.

**You can't underestimate your exposure on this platform – both positive and negative.**

## Nearly One Out Of Every Three Facebook Users Think It Is Important To Have A Facebook Connect Button On Other Sites

How Important Is It For Other Web Sites You Visit To Have A Facebook Connect Button?



Base: Those who are signed up for Facebook N=1374

72.8 How important is it for other Web sites you visit to have a Facebook Connect button (a widget that allows you to "Like" the content on Facebook, for example)?

# 19

Percent of Americans who use  
Twitter

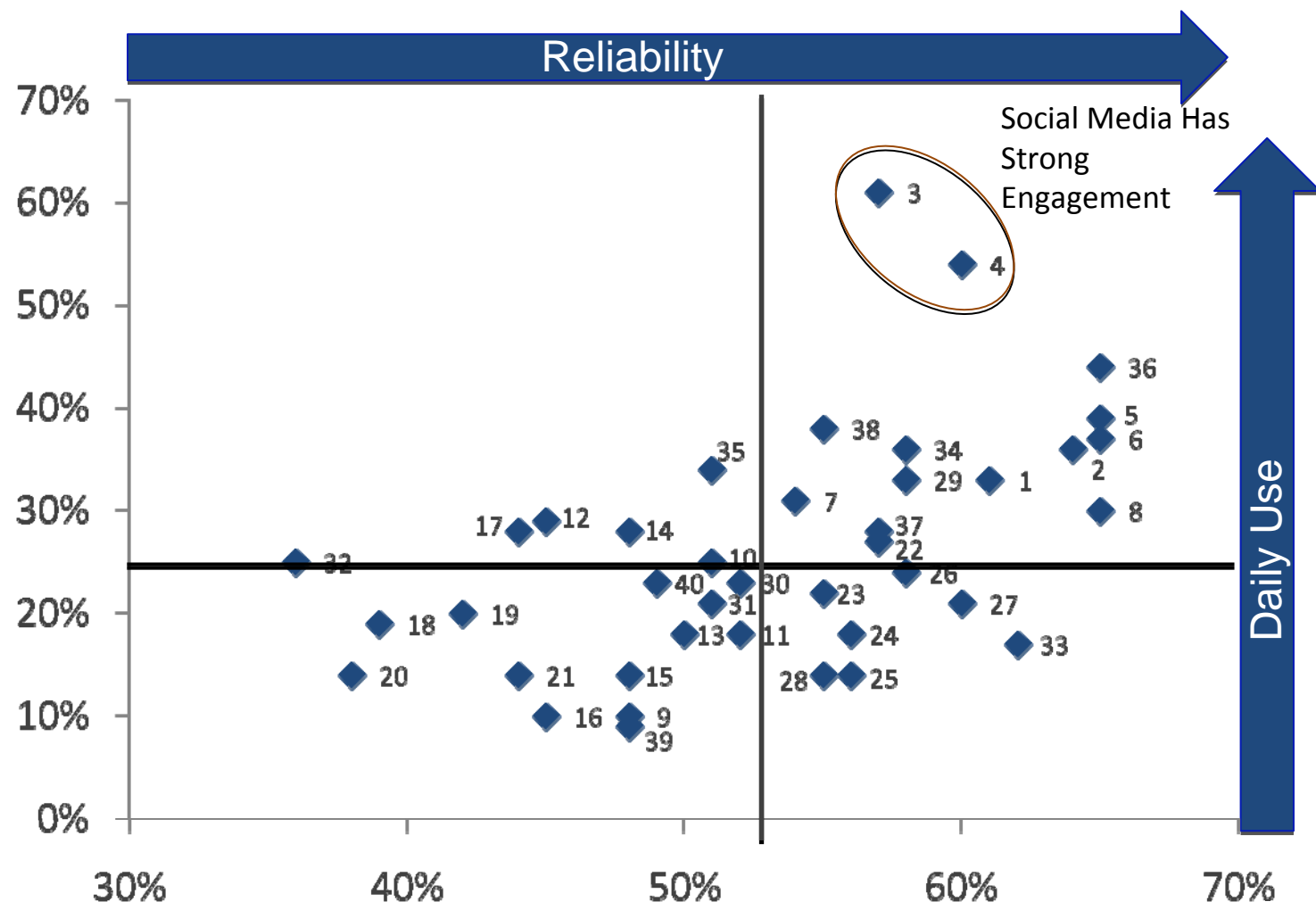
## Small But Mighty

Twitter's reach is far less significant, but can be just as powerful.

**News happens on Twitter.** Just ask companies like Delta, or anyone associated with the London Riots.

**If you don't control your message here, it can control you.**

# Twitter Users Rely Heavily On The Platform For News



- 1 Friends
- 2 Family members
- 3 Facebook
- 4 Twitter
- 5 Yahoo Sports
- 6 ESPN TV
- 7 ESPN Radio
- 8 ESPN.com
- 9 ESPN the Magazine
- 10 Fox
- 11 Foxsports.com
- 12 CBS
- 13 CBSsports.com
- 14 NBC
- 15 NBCsports.com
- 16 NBCOlympics.com
- 17 ABC
- 18 TBS
- 19 TNT
- 20 Versus
- 21 Golf Channel
- 22 MLB Network
- 23 MLB.com
- 24 NFL Network
- 25 NFL.com
- 26 NBA TV
- 27 NBA.com
- 28 NHL.com
- 29 Local Sports TV Station
- 30 Regional Sports Network
- 31 Fox Soccer Channel
- 32 Deadspin.com
- 33 TheBigLead.com
- 34 Local sports talk radio
- 35 National sports talk radio
- 36 Local newspaper
- 37 National newspaper
- 38 Satellite radio
- 39 Sports Illustrated
- 40 SI.com

Q21 How much do you rely on each of the following sources of information that you use? Findings reported as: 4+5 score.  
 Q.20 How often do you use each of the following sources? (Daily)

## Bottom Line

- **Exposure on Social Media is very real.** That can be a very good, or very bad thing. That's why you need to get ahead of it.
- But simply participating isn't strategy. **All efforts need to be clearly aligned with corporate goals.** Ask your people, "why are we doing this?"
- The threats of an unregulated corporate environment are very real. But policies and controls must be focused on encouraging focused Social Media participation, not simply suppressing it. **Focus on what employees can do, and train them how to do it right.**

## Any questions?

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