

MARKETING

Social Media Marketing: Essential, but with Pitfalls

by David Salisbury



Most businesses now rely on social media to connect with customers. But the migration online has been accompanied by many new social pitfalls. How should brands contend with fake news, political outrage, and distraction?

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These days, if you don't have a social media presence, you don't truly have a presence in the marketplace. As more companies follow Amazon's business model delivering goods through fulfillment centers or express pick-up, the need for physical locations and advertisements has diminished. It's a company's ability to market effectively online that

now makes or breaks them. Take the case of container-shipping company Maersk (which you can read about in the Berkeley Haas case study “[Maersk Line: B2B Social Media – ‘It’s Communication, Not Marketing’](#)”).

Despite the fact that Maersk is not a customer-facing company, it has become a social media titan with over 1 million fans by engaging with the online community at large through stories about the company’s history and its place in connecting the world through shipping. Maersk posts photos and videos of their container ships, along with stories from their clients and from the company’s history, and encourages fans to share photos and stories as well. These efforts transformed the company’s web presence - which formerly focused only on industry insiders - into something that could appeal to everyone with an interest in history and compelling stories.

While a company can raise its profile online beyond key demographics and into more esoteric realms, an increased profile does bring with it a fair share of pitfalls and unexpected problems. Companies wishing to increase their online profiles should be wary of the dangers that may await with a more public brand.

Fake News & Trolls

We all know the perils fake news has perpetuated on political discourse and on recent elections, where biased online “sources” fabricate or misconstrue facts to promote false narratives that can mislead audiences. However, fake news targets are not just reserved to politicians and prominent public figures – companies also fall prey to trolls with keyboards and axes to grind.

Earlier this spring, UK retail bank Metro Bank suffered an 11% drop in share value after a rumor began spreading on smartphone messaging application WhatsApp that the bank was about to go bankrupt and put their customers’ money at risk. It was one of the largest incidences of fake news affecting a business in recent history. The motivation for the rumor, whether a rival financial entity or a bored kid who wished to cause unrest, remains

unknown. Regardless, the case emphasized the need to address social media attacks immediately, as trending stories - whether true or false - spread rapidly through the devices everyone has in their pockets.

Online Audiences Ready to Pounce

As relevant and important movements like #MeToo have been in taking toxic social norms to task, there is an overeager side to the current “call-out” culture that can interpret any perceived microaggression with a level of fervor that should be reserved for the utmost moral violations. Facebook and Twitter are fertile playgrounds for ravenous outrage. As such, companies wishing to bolster their image on these platforms should tread lightly.

Take the example of Chase Bank in April 2019. In trying to jump on the #MondayMotivation trend where people encourage healthier or smarter habits on social media, Chase made a tweet that presented a hypothetical for readers to consider with their spending: “You: why is my balance so low / Bank account: make coffee at home / Bank account: eat the food that’s already in the fridge / Bank account: you don’t need a cab, it’s only three blocks / You: I guess we’ll never know / Bank account: seriously?”

While this statement may seem an innocuous attempt to get some “likes” and “shares,” the tweet backfired and was criticized as “poor-shaming” by politically-correct crowds. Now-presidential candidate Sen. Elizabeth Warren, D-Mass used the tweet to point out Chase’s parent company JPMorgan took a hefty taxpayer-paid government bailout in 2008 for mishandled finances. Others pointed out Chase’s exorbitant overdraft fees and the high salaries of Chase executives compared to their hourly employees, and launched other criticisms in a barrage of bad publicity. Chase quickly deleted the tweet and apologized. Depending on your outlook, the backlash was either overkill behavior from an oversensitive populace, or just desserts for an out-of-touch and insensitive corporation. What’s clear is that a company wishing to be relevant in the social media age must have a well-thought-out marketing strategy. One that can be verified by different sectors, demographics, ages, political biases, etc. to ensure that the material avoids as many triggers as possible.

Oversaturated Audiences

With the utter bombardment of comments, rants, links, videos, and advertisements shared on social media every day, it's easy to understand why most of what people view will not be remembered. In fact, much of people's news feed viewing may not even be about reading, but reward seeking. In a new study from UC Berkeley's Haas School of Business, people checking their phones for new messages or to see who liked their posts is due to dopamine chasing, much the same way eating a candy bar or doing drugs is. Therefore, if audiences aren't latching on to your posts, it may not be because your company is no good. You're just not getting those brain chemicals activated like you should.

The internet's whiplash speed and never-ending content has shoved people into assorted mental, cultural, and ideological growing pains. With every imaginable voice now being heard, it's difficult to navigate the correct tones and audiences when no rulebook has been established. However, by being aware of the pitfalls other businesses have run into in this Wild-West-era of internet communication, we can begin establishing what makes the best communication possible.



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