
Socializing Your CEO II

Executive Summary



Introduction

CEO reputation has serious implications for business success today. Recent research by global public relations firm Weber Shandwick and KRC Research, [The Company behind the Brand: In Reputation We Trust](#), found that a full two-thirds (66%) of consumers say that their perceptions of CEOs affect their opinions of companies and the products they sell. Executives, too, recognize the importance of leadership reputation – they attribute nearly one-half (49%) of a company’s reputation to the CEO’s reputation. Without any doubt, executive leadership is critical to burnishing the overall reputation of organizations today, as a large 60% of a company’s market value is attributed to its reputation.

Whereas years ago consumers were not so attuned to CEOs, this is no longer the case. With the always-on access and reach of the Internet, leadership is very much on consumers’ radar screens. Our research found that nearly three in 10 global consumers (28%) often talk about company leaders with others and twice as many (59%) say their opinions about companies are influenced by what these executives communicate. Clearly, getting executive messaging into consumers’ conversations helps shape corporate reputation and consequently, a company’s bottom line.

Due to this inextricable link between CEO and company reputation and reputation’s sizable impact on company value, Weber Shandwick takes a keen interest on behalf of our clients to better understand how CEOs tell their company story internally and externally, online and offline, in-person and virtually. Because we recognize that consumers, customers, journalists, supply chain partners, employees, investors and a host of other key stakeholders now get a large part of their information digitally, our latest study on leadership communications is focused on the increasingly important role of social media and other online channels for CEOs.

Weber Shandwick’s 2010 study, [Socializing Your CEO: From \(Un\)Social to Social](#), was one of the earliest quantitative explorations of CEO engagement through social media. The analysis revealed that the majority of CEOs from the world’s largest companies – 64% – were not using social media. That is, they were not engaging online with external stakeholders and thus were missing out on opportunities to deepen their company reputations and customer relations. In mid-2012, Weber Shandwick refreshed this analysis to reflect the latest online visibility activities of the current crop of top CEOs to understand how the leaders of the world’s most elite companies are evolving socially.

“Building company reputation comes in many forms today. One of the most underutilized ways is for CEOs to communicate online where they can efficiently signal that they are listening carefully to customers, are curious about how their products or services are being received and that they are open and transparent. In a few years, the risk-reward ratio will shift and more CEOs will reap the reputational rewards that come along with being social.”

Leslie Gaines-Ross
Chief Reputation Strategist, Weber Shandwick

What we did

From June to August of 2012, Weber Shandwick researched the activities of CEOs from the top 50 companies listed in this year's Fortune Global 500 rankings (15 CEOs in the U.S., 21 in Europe, 11 in Asia Pacific and 3 in Latin America). We audited the following sites to see what opportunities, if any, these CEOs are leveraging to engage with external audiences and compared these results to our 2010 findings:

- **Social networks**
(Facebook, Twitter, LinkedIn, Pinterest, Google+, regional platforms)
- **External-facing blogs**
- **Company YouTube channels**
- **Company website homepage/About Us page**
- **Company website Careers page**

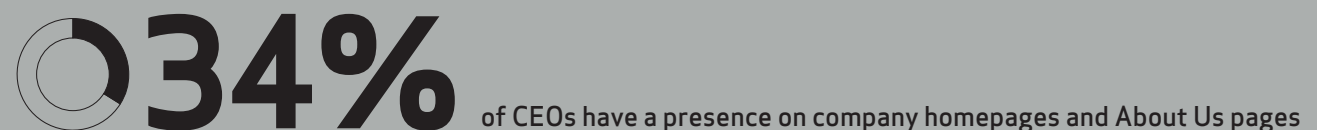
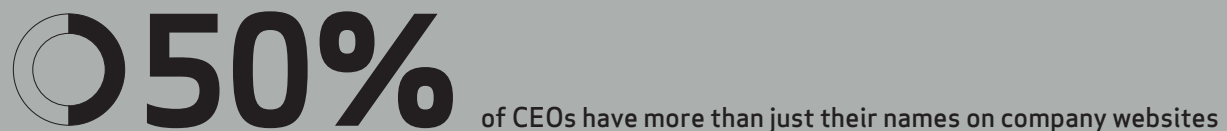
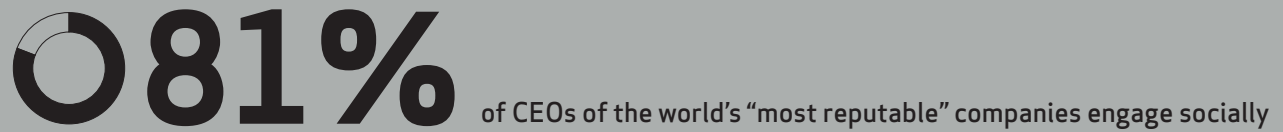
Weber Shandwick considered a CEO "social" if he or she does at least one of the following:

- **Engages on the company website through messages, pictures or video**
- **Appears in a video on the company YouTube channel**
- **Has a public and verifiable social network account or profile**
- **Authors an external blog**

Note: We did not overlook Wikipedia because it still remains the first stop for information about CEOs (80%). More company leaders have a Wikipedia page today than in 2010 (64%). However, we did not count Wikipedia as a form of social engagement. Although this collaborative online encyclopedia makes details about CEOs accessible, articles can be created and edited by anyone, and community rules dictate limited circumstances in which the CEO or communicators can engage.

Site	Criteria for Social Inclusion
Facebook	Profile page is visible either through Google search or to those who have Facebook accounts. Page includes CEO's picture and accurate biographical information. Weber Shandwick researched profile information to ascertain legitimacy.
Twitter	Profile is verified by Twitter and marked with official blue badge. If profile is not officially verified, it has the CEO's picture and at least one Tweet. Tweets and accounts followed must realistically be those of the CEO.
Company YouTube channel	CEO appears in a video uploaded by his or her company on the firm's corporate YouTube channel.
LinkedIn	Profile is visible through Google search or to those with Basic (non-paying) LinkedIn accounts. Profile contains accurate information and current position at company.
Google+	Profile has CEO's picture, accurate position and one additional piece of biographical info.
Pinterest	Profile has CEO's name and picture.
Blog	Blog is written under CEO's name. Can be an internal or external blog.

Social CEO Vital Stats



Social CEOs: To Be or Not to Be

CEO sociability is on the rise

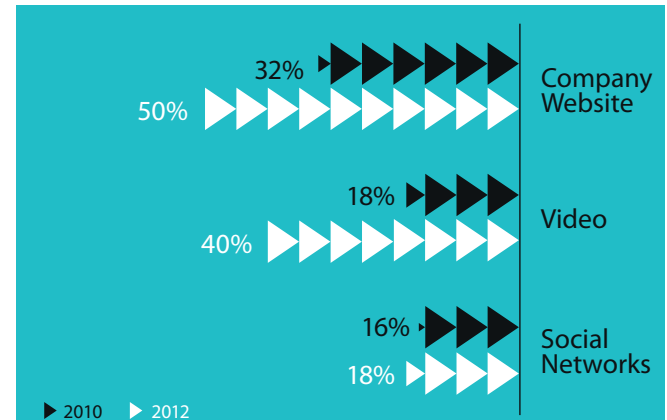
The sociability of CEOs of the world's top 50 companies has risen dramatically over the past two years. In 2010, our inaugural **Socializing Your CEO** audit found that 36% of these elite CEOs were engaging online in some way and this year's study finds a near-doubling to 66%.

“Our research found a sizable increase in CEO sociability over the past 24 months. World-class CEOs understand that social media is something they must pay attention to because that's where their customers, prospects and other stakeholders are increasingly to be found.”

Micho Spring
Global Corporate Practice Chair, Weber Shandwick

This two-year growth spurt comes from CEOs' heightened visibility on their companies' websites (32% to 50%) and their increased video presence (18% to 40%). This upward momentum provides evidence that CEOs are slowly but decidedly stepping into social waters. They are starting to understand that company websites are the gateways to corporate reputation for now.

% CEOs engaging through company website, video and social networks (2010 vs. 2012)



Social begins at home(page)

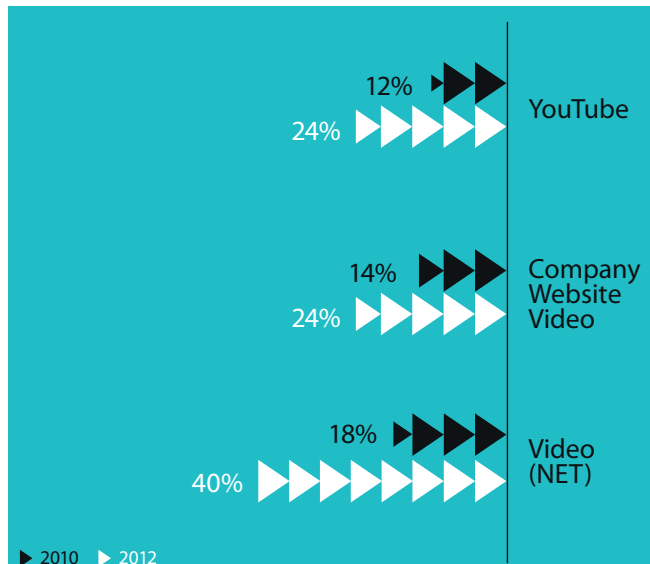
The 50% of CEOs who are visible on their company websites are most often visible on their homepages and About Us pages (e.g., letters, pictures or video) and with more of a presence than just the executive's name. Website engagement sometimes includes a presence on the Careers page or through a video. One company features a picture of its CEO on the homepage with a link to a special CEO page in its press center that holds a collection of speeches, interviews and high-resolution pictures.

Using the company website to add context about the CEO (biography, point of view, past speeches, multimedia) is a first step in socializing a CEO and in some markets, it is the pinnacle of sociability. Putting executive communications front and center online gives stakeholders a more accessible leader and these assets can be easily referenced by search engines and linked to from company social channels as needed. With stakeholders talking about corporate leaders and over half of them basing their opinions on executive communications, there is realized opportunity in making controlled messages about the CEO easily accessible on a company-owned property. As the world becomes increasingly more connected, CEOs must continue to embrace technology and use it to navigate the seas of change coming their way as digital, social and mobile rapidly converge.

Video is the social CEO hotspot

More than ever before, CEOs are using video to promote their company narratives. An underutilized tool in 2010, video was used by only 18% of CEOs. Today, the rate of video usage has more than doubled, with 40% of CEOs now appearing in corporate videos. Growth in video is nearly evenly divided between CEOs appearing in videos on company websites and on corporate YouTube channels.

% CEOs engaging through company video (2010 vs. 2012)



Video is a powerful social tool and arguably the next big evolution in CEO sociability and transparency.

“An increasing number of CEOs will adopt video as a means to humanize their reputations. They recognize that being social via video is a reputation plus.”

Leslie Gaines-Ross
Chief Reputation Strategist, Weber Shandwick

There are many advantages to video, including that it can be scripted and edited easily. CEOs do not have to leave their offices to make them and it comes with low risk for making mistakes. Additionally, CEO videos are sharable and often viewed by thousands of people.

Most of the CEO videos in our 2012 audit did not seem to be created specifically for YouTube. Instead, most are repurposed clips of CEOs at shareholder and quarterly results meetings, special award ceremonies or company events. Videos afford a low barrier to sociability because they do not need to contain original content. However, CEOs should aim for more candid than canned shots. Capturing compelling moments of CEOs on video can be prohibitively expensive and time-intensive. Like other media, videos can be repackaged through editing and commentary on corporate news blogs or website pages, enabling the company to gain additional leverage from existing assets.

Social networking growth is flat

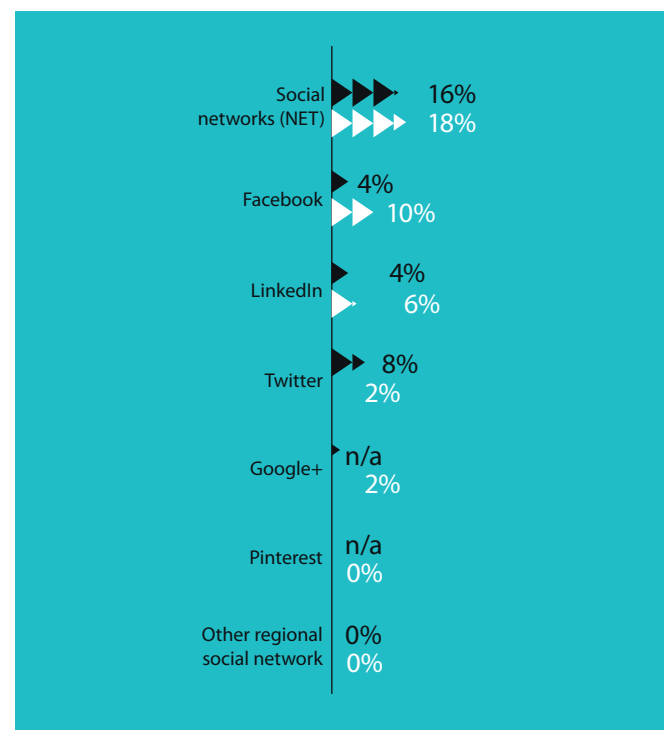
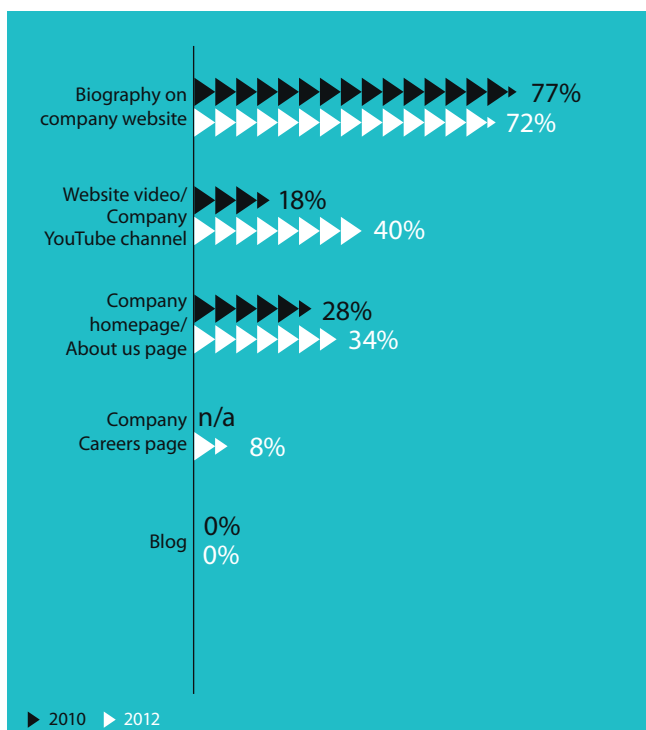
Since 2010, CEOs have barely budged in their use of social networks (18% from 16% in 2010). Our research even shows a drop in Twitter presence over the past few years among this elite CEO set. Ten percent of CEOs have a Facebook account, the most commonly used social network by CEOs in 2012. Few are on Google+ and none have a Pinterest profile. We also researched whether CEOs were present on networks specific to certain regions, such as Weibo in China and me2day in Korea. No CEO accounts were found on regional networks.

“The slow growth in usage of social networks by CEOs demonstrates that either CEOs are worried about risk or are unsure about the return-on-investment. We need to recognize, however, that they may also be more comfortable being social listeners or social intelligence gatherers now than social engagers. Social listening may provide CEOs with the knowledge, data and confidence they need to open a Facebook page or Twitter account.”

Chris Perry
President of Digital Communications, Weber Shandwick

One CEO from our research shows that you don't have to be very active to be social. This CEO has a Facebook profile but directs visitors to the corporate Facebook page for more frequent interaction. He may not regularly use his personal Facebook account, but he acknowledges the importance of engaging with customers online. Simply put, the slow growth in CEOs using social media may be masking the fact that CEOs recognize that the power of social actually lies in the data they can gather as much as any personal participation in social media discourse.

% CEOs who have a... or are visible on...



“The third [objective in my role as chairman] is to re-establish the credibility of corporate leadership in the eyes of the American public... and the only way I can do that is by humanizing the job. And humanizing the job means I have to be out there. I have to be available. I have to be willing to hear the bad, the good, the ugly.”

Mark Bertolini, CEO, Aetna
On why he uses Twitter, The Wall Street Journal, 2012

16% of today's [U.S.] CEOs use social media to engage with customers. CEOs expect this number to be 57% in the next few years.

Leading Through Connections
IBM 2012 CEO Study

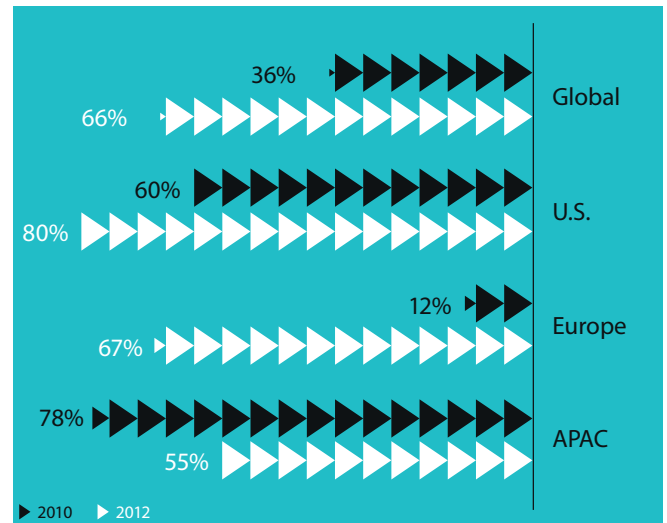
No CEOs have company-affiliated blogs

As was the case in 2010, none of the CEOs in our study have blogs under their own names. Weber Shandwick was interested in blogs written exclusively by CEOs and did not consider blogs that feature CEOs as guest writers. While we were not able to find any accounts, it is possible that some CEOs have private blogs or blogs written under an alias. It is quite possible that they are reading other people's blogs although still not ready to write their own.

Level of sociability varies around the world – U.S. CEOs lead global peers

U.S. CEOs surpass those headquartered in Europe and APAC in sociability although Europeans demonstrate the greatest increase in online engagement between 2010 and 2012. CEOs in APAC are less social in 2012 than they were in 2010 and are also less social than those in the U.S. and Europe.

% social CEOs (by region)

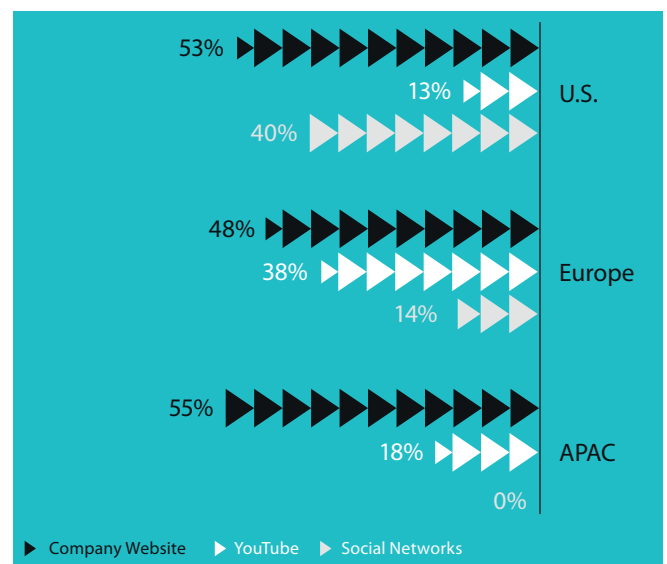


European CEOs favor YouTube

CEOs across all regions are equally visible on their company websites but social media usage varies by market.

U.S., European and APAC CEOs nearly equally engage through their corporate websites. When it comes to social media, however, APAC CEOs are much less likely to participate compared to their regional peers.

% CEOs engaging through company websites, YouTube and social networks in 2012 (by region)



U.S. CEOs are the most likely to be on social networks (40%) while European CEOs are the most likely to be on YouTube (38%). No CEOs in our study from either APAC or Latin America have social network accounts. Since CEOs from APAC are just as likely as their peers to engage through the company website, it is possible that different regions may have different standards of sociability or are at different stages of social maturity.

U.S. Fortune Global 50 CEOs are more social

Given the greater U.S. propensity to be social, we took a look at a broader sample of U.S. CEOs (the top 50 U.S. CEOs from the Fortune Global 500 list) and found:

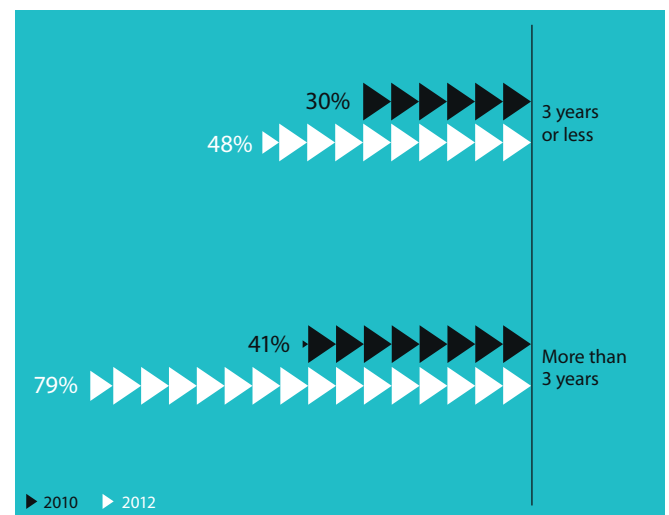
- 58% of the top U.S. CEOs are social
- The top 50 U.S. CEOs have a greater presence than Fortune Global 50 CEOs on YouTube (30% vs. 24%, respectively) and on social networks (26% vs. 18%, respectively)
- Four in 10 top U.S. CEOs appear in a corporate video, either on the company website or company YouTube channel, which is the same rate of engagement as the top global CEOs.

CEO sociability increases with CEO tenure

Newer CEOs continue to lag their more tenured peers when it comes to online engagement. As we discovered in 2010, more tenured CEOs (in office more than three years) are more social than those in office three years or less (79% vs. 48%, respectively).

The reluctance of many new CEOs to add social media to their traditional communications toolkit is puzzling. When a CEO is new to the job, speed and engaging a wide portfolio of stakeholders are of the highest priority to rapidly earn support and rally confidence in their leadership. Perhaps the more tenured a CEO is, the less risk averse they are and the more comfortable they are stepping outside the box when it comes to adopting non-traditional communications methods, including using social media.

% social CEOs (by CEO tenure)



Social CEOs lead Most Admired companies*

CEOs of the world's most reputable companies consistently demonstrate greater online engagement than peers at less reputable companies. Eight in 10 CEOs from Most Admired companies (81%) engage through company websites or in social media, compared to 50% of those from less reputable or "contender" companies worldwide.

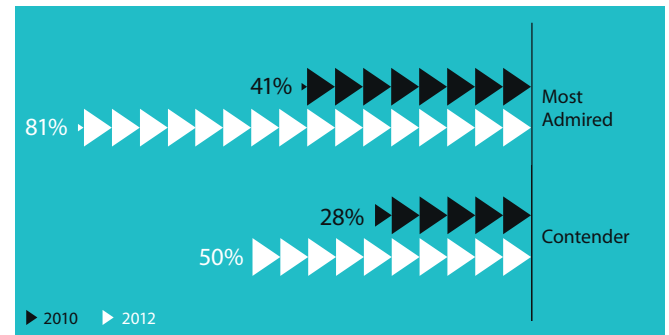
The growth in engagement among CEOs at Most Admired companies exceeds the growth in engagement among CEOs at contender firms. While contender company CEOs are more social in 2012 than they were in 2010 (50% vs. 28%, respectively), Most Admired company CEOs essentially doubled their sociability in the past few years. Most Admired company CEOs may more acutely recognize the relationship between social media engagement and positive reputation and the importance of having a dialogue with customers despite the risks.

"Most Admired company CEOs may be more social than contender CEOs because they ultimately recognize the fundamental sales and marketing benefits that engaging online brings to reputation."

Chris Perry
President of Digital Communications, Weber Shandwick

Most Admired company CEOs may be more social than contender CEOs in fully integrating social into their executive corporate communications strategy and processes. Having a social mindset today has to extend from the CEO's office down to the executive and communications teams. Reputable companies appear to understand the need to embed social media in all its communications operations better than most.

% CEOs engaging through websites or in social media (by company reputation status)



Fake social network profiles on the rise

A startling issue that we more frequently came across this year compared to 2010 is the abundance of fake social network accounts. Weber Shandwick found many accounts that contained inaccurate or false information about CEOs or companies, and in some cases, multiple accounts all claiming to be the same CEO. We also found a number of social network profiles that did not contain enough information for us to confirm their legitimacy.

Phony and unverifiable accounts pose serious problems for companies. Stakeholders looking for information about a CEO may not have the resources or the know-how to separate the real profiles from the fakes. With illegitimate profiles more rampant than in years past, stakeholders may walk away with false information about a company, putting corporate reputation at considerable risk.

* Based on FORTUNE World's Most Admired Companies rankings

CEO's Guide to Social Engagement

With the reputation of corporate leaders in doubt as the economy struggled in recent years and corporate crises abounded, CEOs need to take greater charge of their communications, both online and offline. Weber Shandwick recommends that companies and their executives adopt the following strategies to optimize their online storytelling to help bolster their company reputations, engage with customers and attract the best talent:

- **Develop a social strategy and take the conversation online.** CEOs are part of the online conversation whether they choose to engage or not. CEOs have the power to enhance their reputations by becoming a part of the online conversation. They do not have to go all-out socially, but having some social presence is beneficial. Social “lite” might just be enough.
- **Start small.** CEOs don't have to use all social platforms to have an online presence – the quality of engagement is more important than the quantity of social accounts. One company in our research set up a Twitter page with the CEO's name and directs visitors to the corporate Twitter page where people can scan for Tweets sent directly from the CEO. The CEO doesn't use his own account often, but visitors know where to go when they want to find out more about what he has to say.
- **Give the company a face.** Don't hide your CEO. Put his or her face on the company homepage. The homepage is valuable real estate. Something as simple as a picture makes the CEO a more familiar, human figure and a CEO message on the homepage has the potential to spread executive communications to a wider audience. Remember that CEO sociability is more about enhancing CEO credibility than celebrity. We recognize that some markets may be more sensitive to security issues, and in this case, may be more comfortable using a message from the CEO instead of a picture.
- **Encourage CEO social listening.** Not every CEO is ready to be creating content online or opining on Facebook. However, CEOs should be encouraged to use social media by listening and watching. Social media is an excellent way to gather real time data on customers, competitors, the industry and other stakeholders and to gain confidence in socially engaging in time. CEOs should receive regular reports that use social media observations in order to increase comfort levels with the medium and demand the same for their teams. Social media reporting or social business intelligence should be on board agendas as well.

- **Continue to take advantage of video.** Video offers CEOs a big step forward in getting social. It humanizes executives and makes them appear accessible. Video, unlike most traditional communications, allows CEOs to show emotion and nuance. Videos don't need to be created specifically for the company website or YouTube; compile footage that the company already has – whether it is interviews, press conferences, town hall meetings or CEO keynote – and make it available online. The more candid than canned the better. Repurposing CEO communications is ideal for video. With 40% of top CEOs already using video on their corporate websites or YouTube channels, video may soon become the default channel for executive storytelling.
- **New CEOs should be social from Day One.** The company homepage or elsewhere on the site is excellent real estate for new CEOs wanting to be social and hit the ground running. A brief message, quote or picture introducing the new CEO to visitors alerts the public of recent management changes and places the CEO's name and early communications front and center. If there ever was a time for the CEO to be in the spotlight and get information distributed on social channels, it is at the start of his or her tenure when stakeholders are most curious about new CEO intentions and expectations. Social media holds tremendous promise for new CEOs looking to quickly, efficiently and effectively reach out and touch stakeholders directly.
- **Monitor your CEO's Wikipedia page.** CEOs are more widely represented on Wikipedia than any other platform. CEOs and their communications teams should at least be aware of what is being said and if there is misleading or incorrect information, follow the strict guidelines for requesting content changes from Wikipedia editors.
- **If your CEO has an account, flaunt it.** Some CEOs are difficult to find online. If your CEO is online, make it easy to find his or her profile. Link to and from your company website to maximize site visits and include your company name and the word "CEO" in the biography section to boost the profile in search results.
- **Phony CEO social network profiles are abundant – be vigilant.** It's not always easy to tell the real from the fake social network profiles. Stakeholders are at risk of walking away from their screens with false or even damaging information about a CEO. If your CEO does have a profile on a social network, make it obvious that it's real or include the phrase "Official Account." If your CEO doesn't have a profile and is not yet comfortable with making one, set up a page with his or her name and direct visitors to your company's social profile. This way, your CEO is accounted for.

For more information

For more information about
'Socializing Your CEO II',
please contact:

ThoughtLeadership@webershandwick.com

Leslie Gaines-Ross
Chief Reputation Strategist
lgaines-ross@webershandwick.com

Chris Perry
President, Digital Communications
cperry@webershandwick.com

James Warren
Chief Digital Strategist, Europe
jwarren@webershandwick.com

Jon Wade
Head of Digital Practice, Asia Pacific
jwade@webershandwick.com

For more sources on Social CEOs, please visit:
[Weber Shandwick's Socializing Your CEO 2010](#)
[Domo](#)
[BRANDfog](#)
[IBM CEO Study](#)

You can also visit:

www.webershandwick.com

