

Microsoft Dynamics

The Connected Enterprise

Embracing social
technologies to drive
the Dynamic Business

Introduction

Today's businesses face dramatic change

concurrently on several axes, including technology change, generational change as Millennials enter the workforce, and a new economic reality. In terms of technology changes none has been as rapid and pervasive as social technologies. Social technologies including blogs, forums and social networks are transforming the relationship between businesses and their communities of employees, prospects, customers and partners. Let's first explain social in simple terms.

Humans are inherently social. Social as a concept is not new – no one actually invented social! Dictionary definitions* include: human society and how it is organized; the way in which groups of people behave and interact; living as part of a community or colony rather than alone.

* Social definition: Encarta® World English Dictionary [North American Edition]

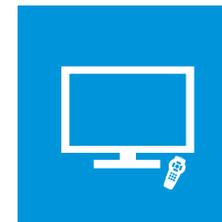
The world revolves around communities. People form and join communities to communicate and collaborate – to get stuff done. Communities have existed since time began: families, tribes, cities, teams, clubs and interest groups. Social technologies have expedited and simplified how people connect and collaborate globally in real time.

Advances in communication and collaboration, such as radio, television, telephone, email and internet, have been a constant throughout the 20th century. Social networks, such as Facebook, are yet another channel of human interaction; they have been adopted at an unprecedented rate! **Radio took 38 years to reach 50 million users – Facebook took less than 9 months to reach 100 million users!** The sheer scale of social networks means that millions of people are now connected globally and in real time in ways not imaginable with other communication technologies.

Years to reach 50 million users:



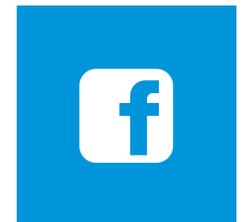
Radio:
38 years



Television:
13 years



Internet:
4 years



Facebook:
100 million
<9 months

Source: socialnomics.net – *Social Media Revolution Video (Refreshed)*, By Erik Qualman

Microsoft is defining a connected and forward-looking enterprise, the successful enterprise of the future.

What has prompted this mass adoption of social technologies in day-to-day life? Leading social media expert Clara Shih writes:

"The social Web appeals to innate human desires for self-expression, human connection, and a sense of belonging... Social networking captures our pictures, feelings, and relationships, and makes the Web feel human again."

How does this apply to business? Business success hinges on one or more of the following aspirations: **increasing revenue, driving customer loyalty and identifying new business opportunities.** These days everyone is looking for the silver bullet to achieve success. For years, we have been focusing on the business benefits of increasing productivity, but let's face it, your people can be communicating, collaborating and generally doing lots of things faster, but that doesn't guarantee they are the right things.

Social technologies are becoming increasingly prevalent in daily personal and professional life. Social technologies provide simple collaboration for employees and new means of understanding and interacting with customers.

However, it is important to put this technology wave in perspective. Telephone has not replaced face-to-face meetings; email has not replaced telephone; social technologies are yet another means for people to connect and interact. Your customers expect flexibility in the way they engage with you, whether that is via the web, face-to-face, phone, email and now social.

Some would have you believe that social technologies alone will guarantee the success that businesses seek. The reality is, social for the sake of being social is just noise without context. Many executives view social technologies as distractions rather than enablers for this reason.

Microsoft has a powerful vision beyond just a social enterprise – we are defining a connected and forward-looking enterprise, the successful enterprise of the future; an enterprise that connects its employees, partners and customers to what they need, in the right context, using the device and channel they prefer. **We call that the Dynamic Business.**

This paper outlines how you can get started with a social strategy that enhances your sales, marketing and service capabilities. We will articulate how social technologies fit into Microsoft's vision and strategy for proactive, agile and forward-looking business solutions that facilitate people getting the right things done while delivering better customer experiences.

Business Opportunities with Social

Regardless of your role in an organization, there are constant demands to contend with. Marketing professionals need to tap into the voice of the customer and broaden the reach of their marketing message. Sales professionals need to easily keep track of the network of people and business events that are relevant to closing deals. Service professionals need to identify and resolve customers' issues through an ever-increasing array of communication channels.

The Dynamic Business places customers' wants and needs at the center of everything they do. They rally their people, processes and technology around this objective. It starts with people. People make things happen through the communities they participate in. A Dynamic Business manages relationships across internal and external communities.

Millennials entering the workforce are driving new expectations of business software. Millennials have grown up with computers, software, the internet, intelligent devices and constant connectivity. They approach business software through a consumer lens; they expect simplicity and instant results. Their networks and communities will come with them to work, blurring the lines between personal and professional relationships. These individuals want to quickly and easily ask questions, find expertise, keep up to date on events that affect their role and have their achievements recognized.

The Dynamic Business places customers' wants and needs at the center of everything they do.

They expect business software that enables them to connect, communicate and collaborate as easily as they do via social networks such as Twitter and Facebook.

We now have a new category of customer: the social customer. These are businesses and consumers who use social technologies to get their questions answered, problems solved, contribute ideas, complain, praise and endorse whenever and from wherever they want. According to a recent survey by IAB and Lightspeed in the U.K., over 44% of adults now use the web to share grievances about products and services, and 1 in 5 consumers who complain to brands via Twitter or Facebook want a response within the hour. Businesses need to provide flexible and convenient ways of listening to and engaging with these communities on their terms.

Paul Greenberg, a respected authority on the use of social technologies, articulates a social strategy as "the company's response to the customer's control of the conversation." In other words, **a Dynamic Business listens and engages with customers rather than just talking at them.** External communities control the perception of products, services and brands, not the business. **Social engagement is about starting a dialog with your communities.**

Given these realities, what are the business opportunities with social technologies?

Listen	Listen, monitor and dissect social conversations to uncover trends and key influencers.
Engage	Conduct a dialog with stakeholders to inform, respond and influence.
Amplify	Utilize communities to broadcast your message and drive awareness.
Solve	Harvest and reuse community knowledge and connect customers to solve problems.
Innovate	Identify business opportunities and ideas through crowd-sourcing communities.
Analyze	Measure buzz, calculate stakeholder sentiment and determine impact.

Adapted from various sources, including William Band, Ray Wang, Charlene Li and Josh Bernoff

During the course of this paper we will demonstrate how you can seize these opportunities to create your Dynamic Business.

Knowing where to begin may seem daunting. Many businesses are wrestling with this dilemma. The good news is, there are many things you can start with today and there are a broad range of tools from Microsoft to assist you from a technology standpoint.

It is also important to note **a social strategy is contingent on culturally embracing the concepts in conjunction with the software tools themselves.** No amount of technology can compensate for a lack of cohesive planning in how social fits into your overall

business strategy. **Businesses who have successfully employed a social strategy found executive sponsorship and employee buy-in crucial.**

"To win clients, we have to show that we can seamlessly connect to the people and the data we need to get the job done. With Microsoft social networking and search tools, it's a done deal."

—Chris Miller, Senior Director, Accenture

Let's now delve into specifically how a social strategy can positively impact your sales, service and marketing processes.

Social Marketing

Marketing strategies can benefit greatly from the use of social media as an additional channel to broadcast announcements, messaging and offers. You have the responsibility to keep the content you share relevant and fresh; use the same principles you apply to your web site content – if you don't keep it current you risk losing the attention of your social customers and with it, credibility.

Start simply!

Let's say we have a marketing manager, Lori, who has a passion for social media and is an active social customer herself. Step 1 is to empower Lori and others as social community managers to start the social conversation. Open an official YouTube channel, Twitter account or Facebook page and empower people like Lori to use these networks to broadcast announcements and content and share business achievements. Lori's objective is to drive interest and social commentary on your organization. Lori and team have to be active in the community – they need to start a dialog.

Public social networks provide marketing organizations with a direct and immediate line to their customers.

Marketing via social networking sites does not replace traditional marketing; it should reflect and complement those efforts. Lori and team should participate in campaign planning and execution to know what and when to broadcast, as well as how to meaningfully engage via social media.

Public social networks provide marketing organizations with a direct and immediate line to their customers, providing them with new insights into customer perceptions of brand and the products and services that you (and your competitors) offer. On social networks such as Twitter, people are typically blunt in their feedback and opinions. All of these conversations are going on globally, 24 hours a day. It is important to listen and analyze how your brand is resonating. Armed with this information, you can fine tune or course-correct as needed. Microsoft provides tools for this purpose, such as [Analytics for Twitter](#) and [FUSE Labs](#).

Analytics for Twitter allows Lori to query Twitter directly from Microsoft® Office Excel 2010. Lori can easily understand who are the top Tweeters, what *#hashtags* they are using and do they have a positive or negative tone or sentiment.

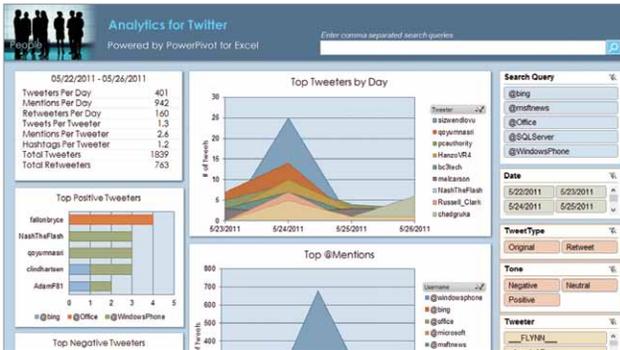


Figure 1: Analytics for Twitter

Microsoft FUSE Labs works in partnership with our product and research teams to ideate, develop and deliver new social, real-time and media-rich monitoring and analysis. FUSE Labs solutions give Lori new ways to create, connect and collaborate with the people, information and ideas that matter to her.



Figure 2: FUSE Labs Montage

Microsoft provides you with the tools to monitor, understand and participate in customer conversations.

Social Sales

The average seller spends too much time on non-selling activities.* Salespeople are constantly looking for answers and expertise to close more deals faster. **In our personal lives it's incredibly easy to find people and information we need through search engines and social networks.** It makes sense to introduce consumerized social experiences into business solutions.

Micro-blogs allow people to send short messages (posts) including questions, answers and comments. Other people can respond enabling simple, streamlined collaboration. A salesperson, Terry, could post that he is looking for expertise to help on a big deal. Jill, a technician, can respond with a simple post to let Terry know she can help out. This avoids multiple emails. In this way, Terry and Jill (who may not even know each other) can easily connect and collaborate across organizational boundaries to drive a successful sales outcome.

It's incredibly easy to find people and information we need through search engines and social networks.

Microsoft provides micro-blogging tools for this kind of simple collaboration in both **SharePoint** and **Dynamics CRM**.



Figure 3: Microsoft Dynamics CRM Activity Feeds

Ask any salesperson how they meet revenue targets and they'll tell you it's all about how they can stay on top of the situation. How does Terry cut through the clutter of daily business and listen to what's going on in the context of his specific accounts, leads, contacts and deals? Microsoft Dynamics CRM provides Activity Feeds presenting a simple timeline view of what's going on in the business based on what's important to Terry – it is the same concept as the Facebook Wall.

* <http://blog.sellingpower.com/gg/2011/02/how-much-time-do-your-salespeople-spend-selling.html>

Microsoft provides you with tools for your sales teams to bring simple social principles into how they communicate and collaborate.

All Terry has to do is follow the people, organizations and events he cares about and his timeline view reflects that. He can review this no matter where he is, at his desk or out of the office on his mobile devices.

Terry is results-oriented. He likes to have his achievements acknowledged (and broadcast). Activity Feeds can be configured to automatically post updates when events occur, such as closing a deal. When Terry closes a deal the system has now informed the world that Terry is a star. Not only does Terry's boss get the news, but also the VP of sales. The system has become a promoter of Terry's actions – he doesn't have to worry about sending out that bragging email anymore.

"Microsoft Dynamics CRM social capabilities make it easier for our teams to communicate and collaborate quickly and simply... Our users love the ability to follow all relevant activity across the accounts they own."

—Brian Gabriel, Senior Software Engineer,
FM Global

Salespeople constantly need to make decisions about the deals and people they work with. Public social networks such as LinkedIn provide additional insight

into customer connections, preferences, behaviors and sentiments, which can lead to more productive sales engagements. Microsoft provides the **Outlook Social Connector** that allows people to manage

their social networks and stay up-to-date directly in Outlook. With this tool, Terry can see social profiles from LinkedIn and Facebook and interactions such as emails and documents exchanged. He can also see appointments attended all without ever leaving his Inbox.

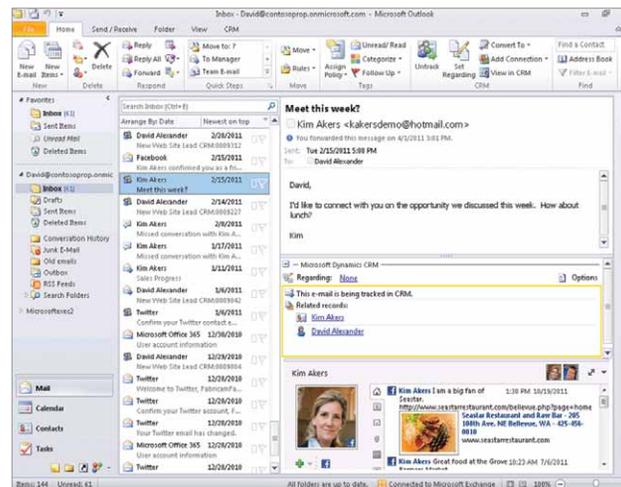


Figure 4: Outlook Social Connector

Microsoft provides you with tools for your sales teams to bring simple social principles into how they communicate and collaborate, as well as harness external social networks for new ways to find, connect with and understand customers.

Social Customer Service

The service professional plays a critical role in driving positive customer experiences. Many times the service professional is the only human touch point to the customer. **Their responsibility is to turn customers into**

loyal fans. In our example, Ken, the service manager, has this responsibility. For Ken, it's about finding new ways to engage customers and respond quickly to their concerns and comments.

The social customer will use social networks to air their opinions and lay down the gauntlet for an organization to listen and respond, quickly. **The proliferation of mobile devices allows customers to air their thoughts "in the heat of the moment."**

This presents both a challenge and an opportunity for Ken. The challenge is, how does Ken's team trawl thousands of conversations on social networks like Twitter and Facebook to identify people who are detailing problems they want fixed? The opportunity is to respond in real time and demonstrate that they were heard; **you can turn a negative experience into a positive one and win your customer's trust.**

Furthermore, Ken can analyze these opinions and views providing a valuable "early warning" system to identify emerging problems before they become larger in severity and scale.

Microsoft provides tools that assist Ken in social listening and analysis. Ken can use the same tool as Lori from marketing: **Analytics for Twitter.** Ken can analyze the top Tweeters rated by sentiment,

The proliferation of mobile devices allows customers to air their thoughts "in the heat of the moment."

what **#hashtags** they are using, and even drill into individual tweets to engage directly with that individual. In real time, Ken can gauge whether there is cause for deeper research.

When Ken identifies an escalating issue, he needs to be able to work with marketing to determine an appropriate response plan. If the issue has been surfaced via social media, then one of the response channels has to be social media itself. **Businesses gain kudos and credibility from their social customers** by acknowledging and responding to problems through social channels. Social provides an opportunity for the business to proactively address issues at scale. The business can quickly reverse a negative situation.

Kudos received by handling an issue proactively also has other positive effects. **Social customers who have great service experiences will publicize them via social networks.** Most customers listen to and trust peers above anyone else. A glowing recommendation is incredibly powerful in sustaining customer loyalty, building equity in your brand and strengthening your community. **In essence, your social customers can become an extended service community for your business.**

Social Customer Service

Social communities represent a constant source of real-time feedback that previously would have taken considerable time, effort and expense to collect.

Additionally, Ken can use the social tools from Microsoft to identify advocates and champions and work with marketing to incent influential customers to be brand and service “ambassadors.”

Another significant investment from Microsoft is a cloud service from Microsoft SQL Azure Labs. This pre-release service, **Microsoft Codename “Social Analytics,”** allows you to easily integrate social information into your business solutions. This service aggregates social media content from many sources, including Twitter, Facebook, blogs and forums. It also provides sentiment analysis capabilities on the social content.

Because Ken can identify the most talked-about issues, he can feed this data back to the business to improve future products and services. **Social communities represent a constant source of real-time feedback that previously would have taken considerable time, effort and expense to collect.**

“Sharpening our organization, creating transparency, and improving access to our intellectual assets [people] could only increase our flexibility and responsiveness.”

—Ed Coleman, Chief Executive Officer, Unisys

When all is said and done, **social networking is another engagement channel your customer service organization should take advantage of.** However, Ken needs to ensure his team’s efforts are embedded in the everyday processes of the customer service organization to ensure consistency across all channels of customer engagement.



Figure 5: Microsoft Codename “Social Analytics”

How Do I Get Started?

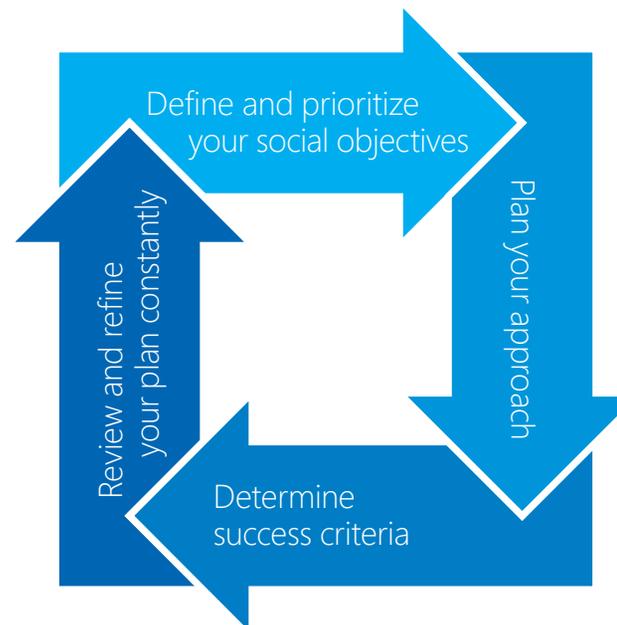
Define and prioritize your social objectives

Is it even appropriate for you to utilize social technologies in your business strategy? There needs to be executive support or sponsorship and a cultural willingness to embrace social technologies for real business value. Social is not an individual departmental initiative – it takes true cross-business commitment and resourcing. **Prioritize your objectives.** For example, do you want to start by providing simpler communication and collaboration for your teams, or is it initially more important to listen to external communities of customers and influencers? Whichever is your initial goal, the key to success is to start simple and build from there.

Plan your approach

Nominate the communities you will serve. Determine the organizational implications of social technologies. If you are looking at providing social collaboration tools internally, then **define their purpose and scope.** If you will be listening to and engaging with external communities, then who will take ownership for response plans and escalations when they are required?

Ensure you have a governance model in place to set out how you will use social technologies – when are they an appropriate engagement tool versus other traditional channels such as web, email and telephone? Change management is a critical factor in any social strategy. There needs to be clear guidance to employees and customers about which business processes will utilize social technologies, and under what circumstances. Like any other technology investment, if social tools are deployed to users and customers with no clear guidance, then there is a strong possibility of poor adoption.



How Do I Get Started?

Determine success criteria

Determine the metrics that you will measure to **define success with your social strategy**. Will it be based on the usage volume of internal social collaboration tools? For external community engagement, will it be based on the number of followers on the corporate Facebook page or the volume and sentiment of tweets about your products and services on Twitter? If you are taking a customer service focus, are you considering metrics such as response times for issues raised, or volume of customer issues resolved.

Your initial objective when engaging with external communities is to **establish sincerity and credibility**. If you are seen to be engaging and listening to the community, then the community will engage and listen to you. Social isn't about lip-service; you won't get any credit for opening a Twitter account and then not engaging through it – inaction can lead to a negative impact on your social credibility and potentially your overall brand sentiment. Conversely, listening and establishing an open dialog with customers through social channels can significantly boost credibility and sentiment.

Review and refine your plan constantly

Don't be afraid to change course as you need to.

Remember that this is a marathon not a sprint. The social technology landscape is constantly evolving. Social networks will come and go. Look at the rise and fall of MySpace and the challenges that Facebook meets to remain relevant and commercially appealing. New ones will arise as new concepts are discovered – for example, Pinterest.

There will be times when you need to look at your governance model and your social commitments. As you meet your success criteria for adoption, then start to look at other measures such as customer satisfaction, sales win rates and brand sentiment.

Enjoy the journey.

Conclusion

The surging popularity of social technologies is indisputable, yet many organizations continue to struggle to harness them for real business benefits. Microsoft technologies fuel the Dynamic Business. It's a broader vision than just a social enterprise.

We are defining a connected and forward-looking enterprise, the successful enterprise of the future; an enterprise that connects its employees, partners and customers to what they need, when they need it, using the device and channel they prefer.

Success will land with those businesses who can integrate the wealth of data, feedback and conversations from social technologies into their business initiatives and processes.

Many business solutions available today only focus on one aspect of social, such as internal social collaboration, but neglect other equally valuable external communities. **Ultimately, success will land with those businesses that can integrate social technologies' wealth of internal and external data, feedback and conversations into existing business initiatives and processes.**

Remember that the Dynamic Business is one that includes social technologies as one of several channels to engage with key stakeholders – it is one component of the way you do business but not the only way!

The most important components of any social strategy are:

Defining your social objectives and the communities you will engage.

Ensuring you have executive sponsorship and cultural willingness in your business.

Aligning your resources to support social in the fabric of the way you do business.

Outlining a clear goal-oriented plan and constantly reviewing and refining it.

Flexible software tools to support your plan.

At Microsoft we spend over 9 billion dollars per year on research and development.

Continuous investment in social technologies is central to our mission and business strategy. We have multiple ongoing social investments across our business and consumer products, including Microsoft Dynamics, SharePoint, Office, Bing, Windows Phone, Xbox and many others. In fact, Microsoft is accelerating our investment in social technologies for business with the [announcement on June 25, 2012](#) of the acquisition of [Yammer](#), a leading provider of enterprise social networks. Microsoft will continue to build on our proud tradition of tools that drive productivity and insight to deliver rich integrated social experiences for your employees and customers. Just like social needs to be woven into the fabric of your business processes, **Microsoft is weaving social capabilities into our software – both today and in the future.**

Microsoft is making the Dynamic Business vision of tomorrow a reality today.