



The Social CEO: Executives Tell All

This social CEO

Social CEOs are the next new thing



Totally Wired

with employees

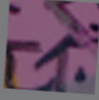


Zero Gravity

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Inherent risks

Executives are mindful of the of the risks associated with CEOs using social media.



Kwan3968

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Social

Enhancing advantage



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Video

CEOs on company website video/YouTube more than doubled between 2010 and 2012.



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Engagement

Start slowly and... your social purpose.



Always Thinking

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Socially dividends

68% of online presence or engagement drives reputation



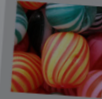
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It's inevitable

2013 will bring a greater focus on social reputation.



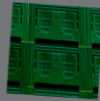
SoSweet

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Social proficiency

CEO sociability makes executives feel inspired, technologically-advanced and proud

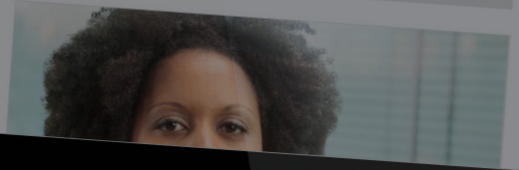


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Social networks

ROI is the main barrier to CEO sociability, although is not the only barrier.



weber
shandwick
engaging. always.

KRC RESEARCH

Introduction

Social CEOs are gaining traction. Weber Shandwick's 2012 audit of the online engagement activities of the world's top CEOs ([Socializing Your CEO II](#)) found that CEO sociability increased from 36% to 66% between 2010 and 2012.

Rising interest in measuring CEOs' usage of social media prompted Weber Shandwick to recognize that the time had come to ask executives what they think about CEOs entering social waters. What do business executives report as the business and reputational upsides and downsides of online engagement? With partner KRC Research, Weber Shandwick surveyed 630 professionals — managers on up to the C-suite, excluding CEOs — about the social participation of CEOs. Respondents worked in companies with revenues of \$500 million or more and represented 10 countries across North America, Europe, Latin America and Asia Pacific. Respondents included those from developed and emerging markets and a variety of industries.

Our online survey, "**The Social CEO: Executives Tell All**," defined social media participation as "posting messages, videos, pictures, etc. on a social media site." Throughout this report, executives are described as having a social CEO — those with CEOs who participate in social media — or an unsocial CEO. There is also a middle ground of CEOs that do not participate in external social media but are social internally and/or use their company website to engage publicly.

The extensive findings generated by the study revealed **9 Insights of CEO Sociability**. We also provide a guide to CEO sociability by revealing **7 Habits of Highly Social CEOs** to inspire CEOs and the executives who work with them to become more social and enjoy the rewards of more effective CEO engagement.

Because of the great expense and difficulty in surveying CEOs directly, it is nearly impossible for most surveys today to capture the true measure of CEO sociability. Yet, this research — among those closest to CEOs — reveals how the CEO sociability continuum has already started internally, has moved progressively to corporate websites and YouTube, and, in time, is expected to shift to social networks. Now that we have a better portrait from executives on how CEOs are engaging socially, we can better measure how far CEOs have come and how far they have to go.

" 2013 will bring a greater focus on social reputation, be it for companies or CEOs. Companies that are truly social and engage their employees and customers in genuine conversation will be recognized as the new corporate leaders. CEOs who are social will be the next new thing."

Leslie Gaines-Ross
Chief Reputation Strategist, Weber Shandwick

Time for a fresh perspective on CEO sociability: Unsocial doesn't mean anti-social

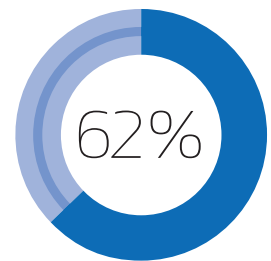
Let's be realistic: a personal Facebook profile, Twitter handle and YouTube channel may not be an attractive or feasible engagement tactic for every CEO.

Our study finds that many CEOs who don't participate in social media are actually communicating with employees through company intranets (50%) and making themselves visible to external constituents on their company websites (62%). We find that CEOs are finding ways to be social without being active on Facebook, Twitter and LinkedIn.

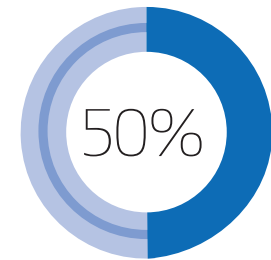
For this reason, Weber Shandwick believes that the definition of "social" needs to be better clarified in business circles. For CEOs to be effective storytellers, they need to strategically select all those digital tools that will advance their business — ranging

from their company's own intranet and website to social network pages and feeds to video and image sharing platforms. Not all kinds of content can be effectively served on any one particular medium, nor are all parts of the world at the same level of social advancement. **Social cannot realistically be limited to just social network pages or feeds.** For some companies, being a social CEO might just start and stay at being online at home. CEOs have a variety of engagement means at hand that will allow them to get their messages across without being pressured to be social pied pipers.

Percent of executives with unsocial CEOs but ...



CEO posts to company website



CEO posts to company intranet

"We are noticing an increasing number of CEOs who choose to extend their spokesperson-in-chief role through their company's pages and intranets. These CEOs are featured in company-produced digital content, enabling story packages to be more easily shared through their company's networks. CEOs understand they must be a leading voice with those who follow their company pages, without necessarily amassing and engaging a network of followers on personal social network pages."

Chris Perry
Global President, Digital Communications, Weber Shandwick

When looking at the perceived benefits of each engagement channel — company intranets, company websites and social media — survey respondents revealed that all share common purposes but each also has its own distinctive purpose and merits. Integrated properly, they can accelerate and deepen the impact of a CEO's communications strategy:



Company Intranet

Improves the reputation of the workplace



Company Website

Enhances the credibility of the company






Social Media

Demonstrates innovativeness and helps build CEO/media relationships

Top 5 benefits of each engagement platform

▶ Unique to platform's top 5 benefits

	Company Intranet 	Company Website 	Social Media 
1	Good way to share news and information (90%)	Good way to share news and information about our company (87%)	Good way to share news and information (80%)
2	Good way for CEO to communicate with employees (82%)	Gives company a human face or personality (76%)	Positive impact on company's reputation (78%)
3	Gives company a human face or personality (73%)	Positive impact on our company's reputation (67%)	▶ Shows innovation (76%)
4	Good use of CEO's time (66%)	Good use of our CEO's time (59%)	Gives company a human face or personality (75%) Good way for CEO to communicate with employees (75%) ▶ Helps CEO build relationships with news media (75%)
5	Gives employees chance to communicate with CEO (57%) ▶ Makes company more attractive place to work (57%)	▶ Enhances credibility in the market (57%)	Gives employees chance to communicate with CEO (73%)



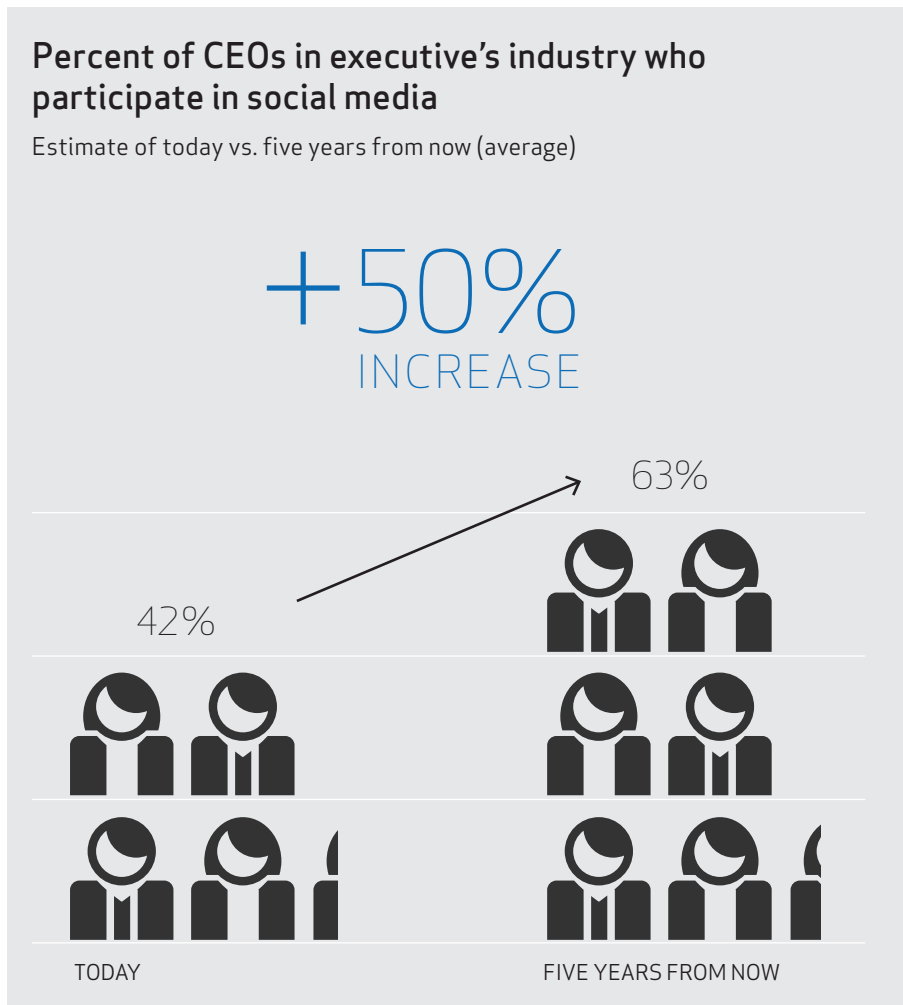
9 insights of CEO sociability

1 CEO social engagement is inevitable

Senior executives from around the globe envision big leaps in CEO sociability in their respective industries, projecting a 50% growth rate over the course of the next five years. Executives in financial services and business services expect the highest rate of CEO sociability growth over the next five years.

“Successful leaders will no longer be measured just by stock price. Managing and communicating with shareholders, employees, government, community, customers will be table stakes in the future. They are talking about your business anyway. Why not be included in the conversation?”

Peter Aceto
CEO, ING DIRECT Canada,
Forbes.com



2 Employees want their CEOs to be social

The majority of global executives (76%) believe that it is a good idea for CEOs to be social, whether that extends externally or internally. Not surprisingly, executives with CEOs who participate in social media, post on their company intranets, or post on their websites are driving this favorability measure, while those with non-participatory CEOs remain non-believers.

Why do employees favor CEO sociability?
According to our survey...

» **Employees, themselves, are sociable.**

Nearly nine in 10 global executives in our study (89%) have a personal social media account and six in 10 say that other executives in the firm (60%) use social media as part of their jobs. It is not surprising then that they want to see their CEOs using the same communications channels they use: Among executives with social CEOs, approximately seven in 10 (69%) would

like to see their CEOs participate even more frequently.

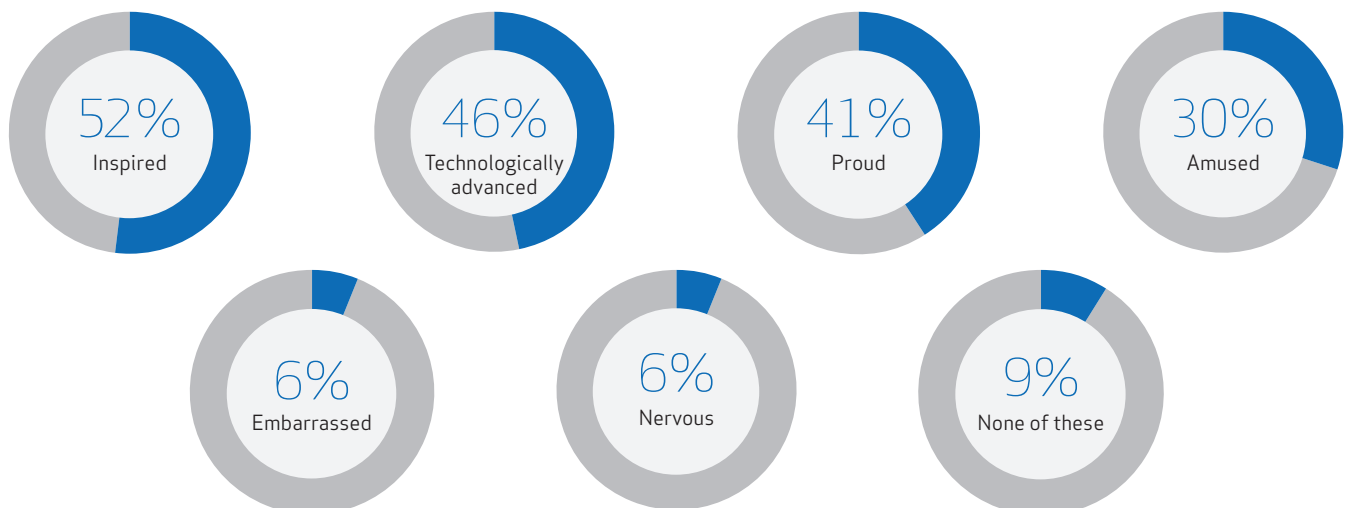
» **CEO sociability instills positive feelings.**

Executives with social CEOs say their CEO's social media presence makes them feel inspired (52%), technologically advanced (46%) and proud (41%). Very few are nervous or embarrassed (6%). In fact, the majority (73%) even search to see what their CEOs are saying in social media.

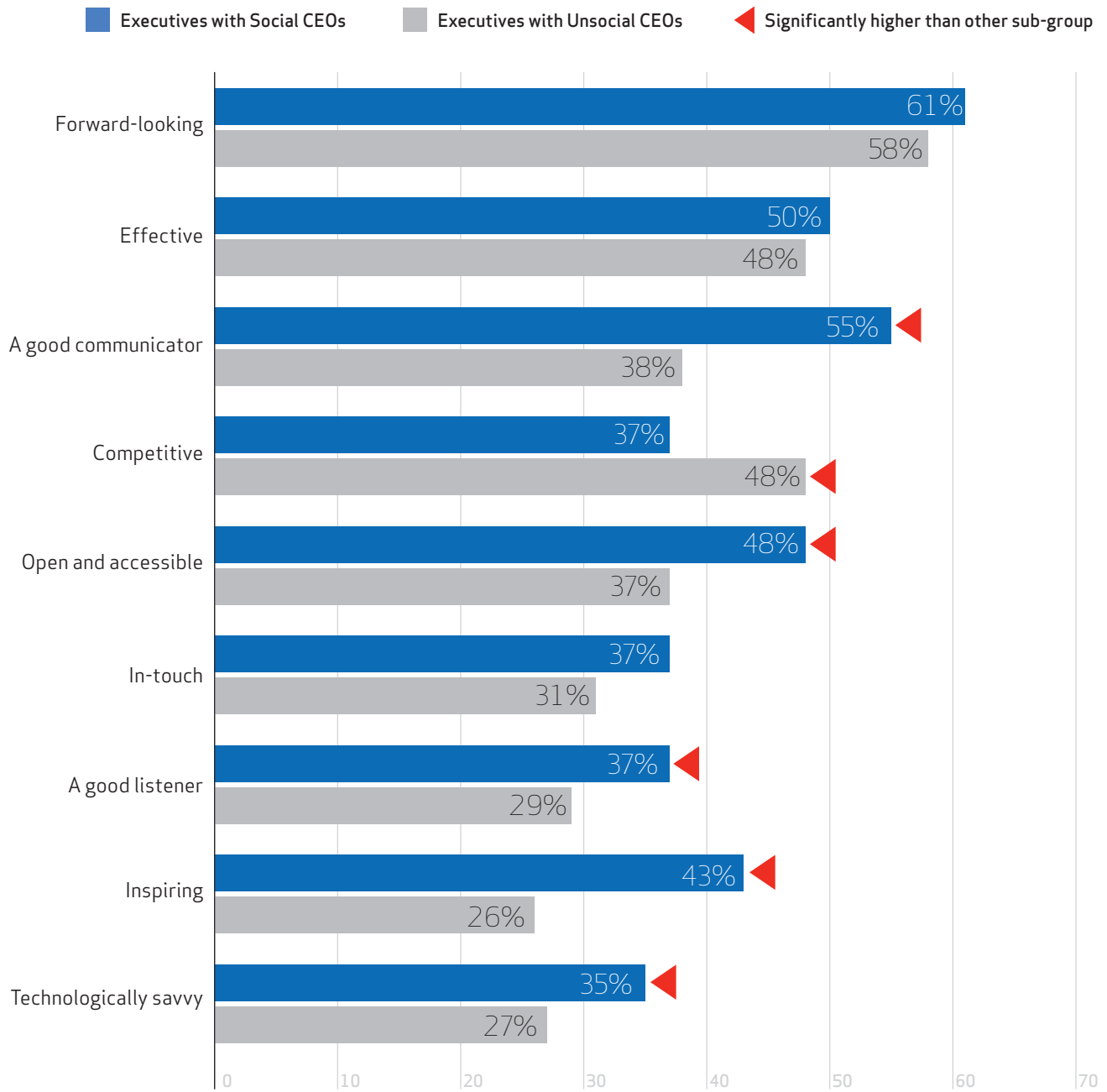
» **Social CEOs are better leaders.** Among a list of nine leadership attributes,

social CEOs get better grades than unsocial CEOs on eight attributes, and some significantly better. Social CEOs are much more likely to be seen as good communicators than unsocial CEOs (55% vs. 38%, respectively). With fewer than half of all global executives (47%) describing their CEO as a good communicator, sociability helps change this perception. Only one quality, competitiveness, is more likely to be used to describe unsocial CEOs.

How CEO's social media participation makes executives feel (among executives with social CEOs)



Which of the following words and phrases describe your company's CEO?



3 CEO sociability yields multiple dividends — internal and external

The top-ranked benefit of CEOs' sociability, according to 80% of executives whose CEOs are social, is as a means to share company news and information. Since engaging employees is critical to aligning day to day decision-making with company strategy, social CEOs may be doing double duty by arming employees with news they can use to help spread positive word of mouth, defend the company if it is at risk and strengthen retention. Other important advantages are:

» **Improve company reputation.**

Reputation is a vital source of company value and should be emphasized as a reason to socialize CEOs. Previous Weber Shandwick research, [The Company behind the Brand: In Reputation We Trust](#), found that, on average, 60% of a firm's market value is attributable to its reputation.

While the majority of companies in all regions and of all types enjoy reputational payoffs from their CEO's sociability, those executives who say they benefit most in terms of reputation are from emerging Asia Pacific markets, business services firms and those whose primary customers are the government.

» **Demonstrate company innovation, "humanize" the company, improve employee communications and build media relations.**

» **Improve business results.** CEO sociability has the greatest business impact on companies in emerging Asia Pacific markets, Latin America and in the industrial, business services and consumer brand sectors.

To our surprise, executives are least likely to recognize that crisis management is an upshot of CEO sociability. [The Rising CCO IV](#) study released in 2012 by Weber Shandwick and Spencer Stuart found that social media can help resolve a crisis. With the majority of chief communications officers reporting that their CEO played an active role in resolving a company crisis, social media is a tool not to be overlooked when reputation is at stake. Companies with social CEOs may be missing an important opportunity to build their CEO's reputation and credibility through the rapid response availability of social media when crisis strikes.

Benefits of CEO's participation in social media (among executives with social CEOs)

Is a good way of sharing news and information about our company (80%)

Has a positive impact on our company's reputation (78%)

Shows that our company is innovative (76%)

Gives our company a human face or personality (75%)

Is a good way for our CEO to communicate with employees (75%)

Helps our CEO build good relationships with the news media (75%)

Gives more employees the chance to communicate directly with the CEO (73%)

Helps our CEO understand/stay in-touch with what is happening inside the company (72%)

Has a positive impact on business results (70%)

Makes our company a more attractive place to work (69%)

Enhances our credibility in the market (69%)

Is a good use of our CEO's time (67%)

Helps us find and attract new customers (64%)

Gives our company a competitive edge (64%)

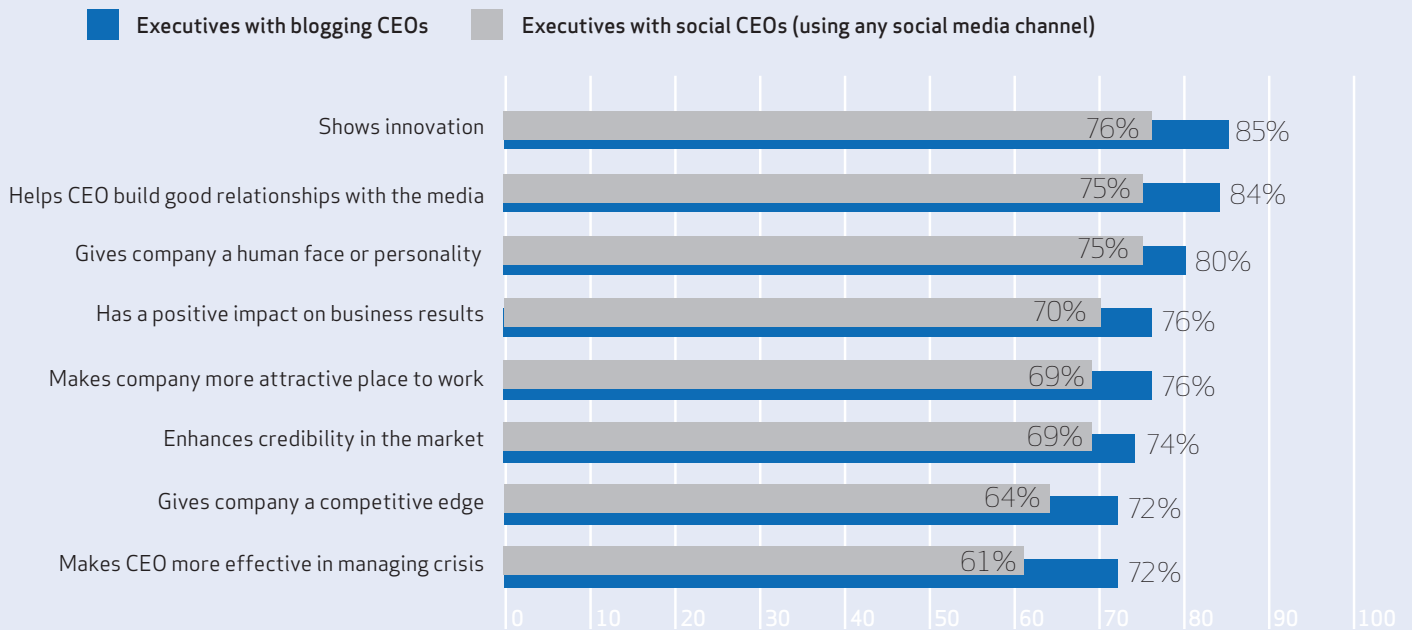
Makes our CEO more effective in managing crises (61%)

How blogging enhances reputation

To identify the distinct benefits to company reputation of CEO blogging — whether that is blogging internally or externally — we analyzed those executives whose CEOs are generally social, that is use any social media channel, and compared them to those who specifically blog. CEO bloggers often say that blogs help them crystallize their thoughts.

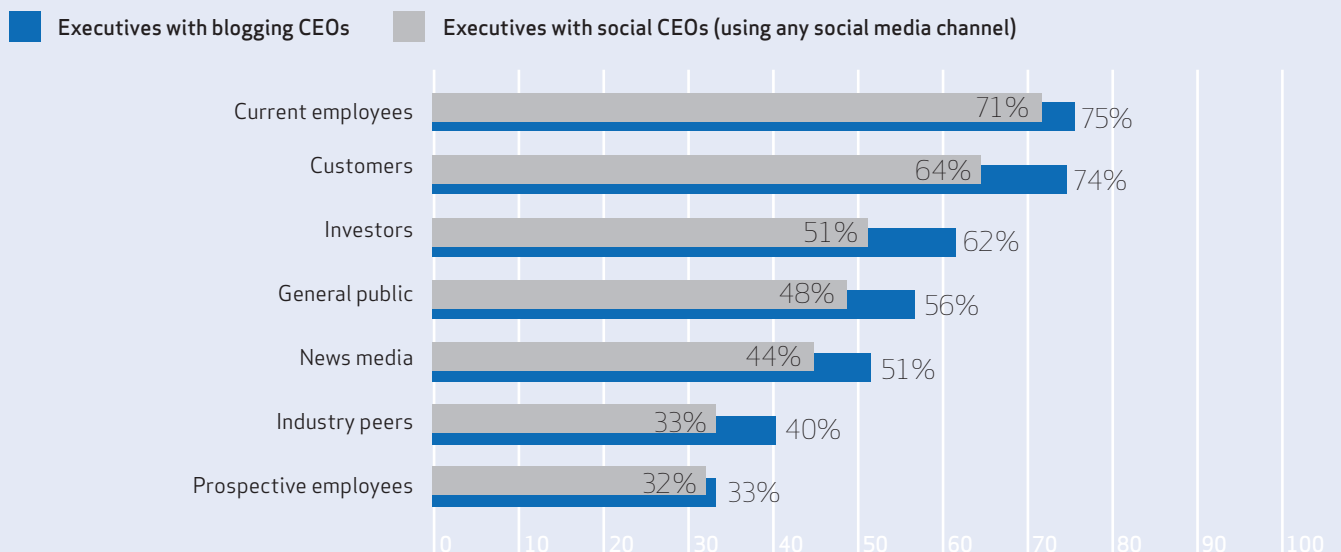
Benefits of CEO participation in social media

CEO sociability has a positive impact on factors that drive company reputation. The impact is magnified when the CEO blogs.



Audiences for CEO's social media postings

CEO blogging reaches external stakeholder groups better than other kinds of sociability. Although one of the prime purposes of CEO blogs is to reach employees as well as customers, CEO blogging seems to have greater impact on external audiences.

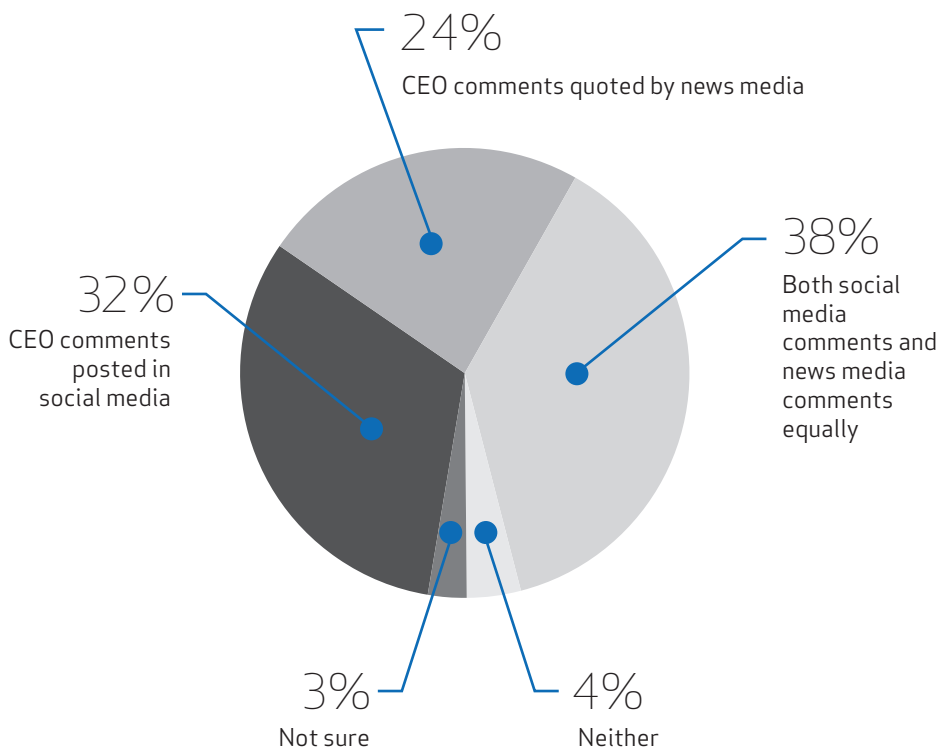


4 Social media gives traditional media an assist

Executives with social CEOs consider social comments from CEOs to be either more believable than comments in the traditional news media or equally as believable.

Barely one-quarter of these senior executives believes that CEO comments quoted by the news media alone are more credible. This suggests that CEO communications today are enhanced by a social element that is strategically integrated with traditional media.

Which is more credible and believable? (among executives with social CEOs)



5 CEO sociability maximizes stakeholder reach

Social participation is the great democratizer. It allows CEOs to communicate with multiple sets of stakeholders.

Executives with social CEOs believe that the top recipients of their CEO's social communications are company employees (71%) followed by customers (64%).

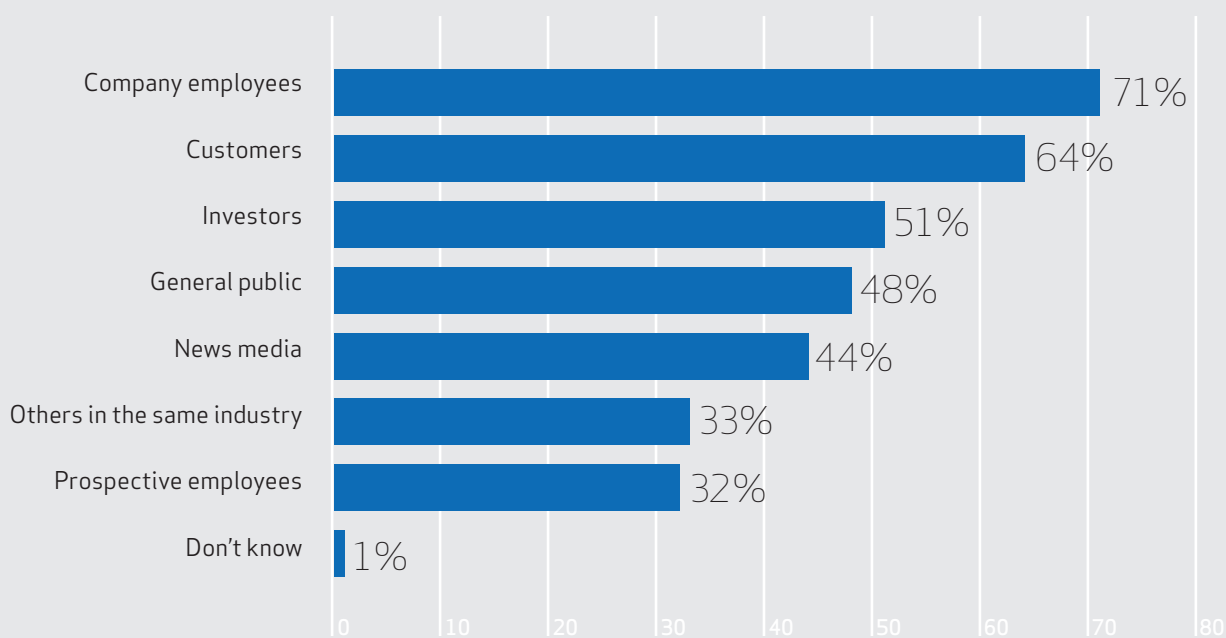
Yet executives frequently cite other audiences including investors, the general public and the news media, demonstrating that CEOs' social outreach casts a wide net.

Now that the Securities and Exchange Commission (SEC) has allowed companies in the U.S. to distribute financial information via social media, with the proper notifications, investors may become an even more likely target audience for social CEOs.

“The emphasis on employees as an intended audience for CEO sociability should not be underestimated or overlooked — the presence of loyal, productive and satisfied employees is rising on many CEO agendas as the key to enduring success.”

Leslie Gaines-Ross
Chief Reputation Strategist,
Weber Shandwick

CEO's intended audiences for social media communications (among executives with social CEOs)



6

Resistance to CEO sociability starts with the CEO

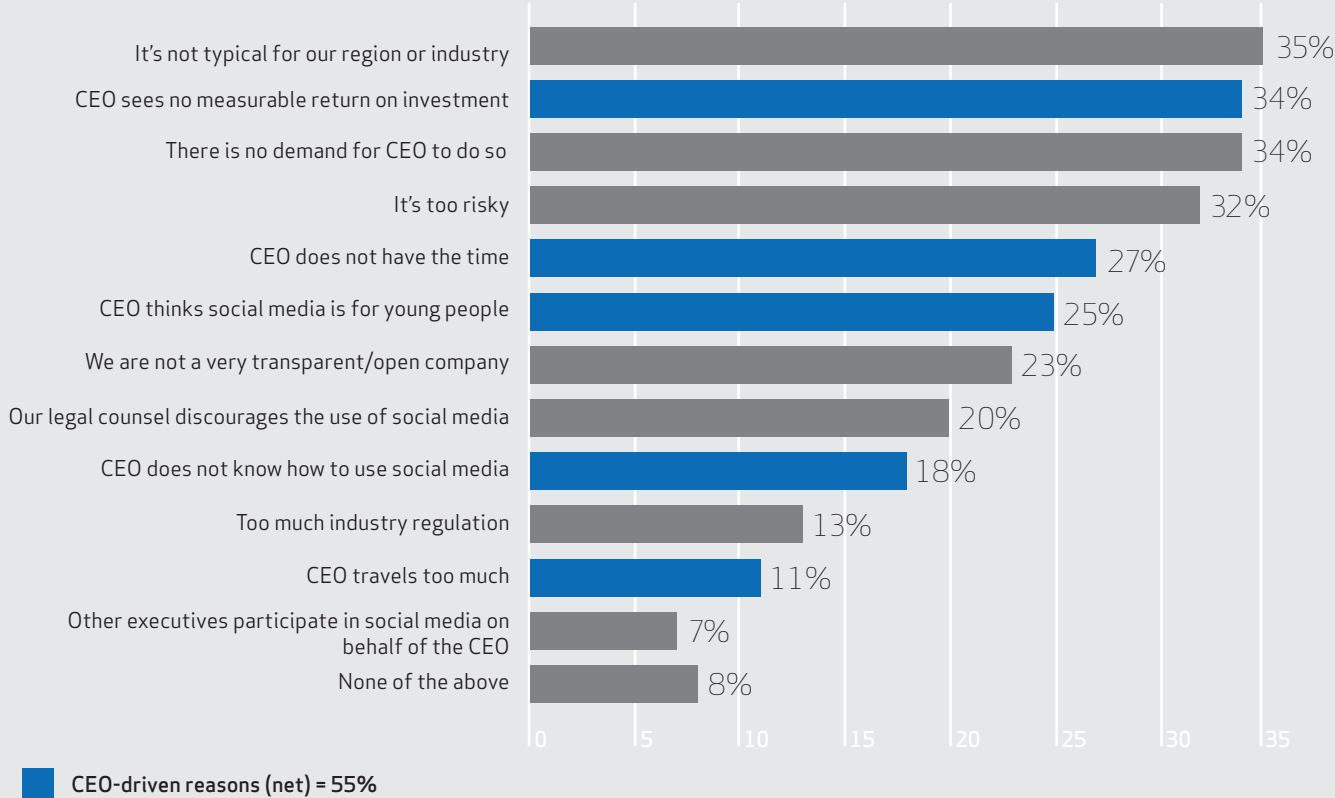
In studying CEO sociability over the past several years and working closely with clients to socialize their CEOs and other senior executives, Weber Shandwick has encountered a variety of challenges to getting CEOs engaged in social conversation.

Our new survey shows that no single reason for non-participation stands out. However, when the reasons are grouped into those that are CEO-related (e.g., CEO sees no measurable return on investment), we see that more than one-half (55%) of executives believe the barriers derive directly from the CEO himself/herself. This is not to say it is entirely the CEO's fault but executives' perceptions indicate that

resistance to social media participation starts at the top. Top reasons given by executives for CEOs not participating in social media are that it is unusual for their industry or region (35%), there is no proof that it returns value (34%), there is no demand (34%) and it is too risky (32%). Interestingly, barriers such as legal obstruction (20%) and

industry regulation (13%) are not raised as often as other obstacles. The research reveals that executives located in Asia Pacific and Latin America are the most likely to cite CEO-sourced barriers to sociability (62% and 80%, respectively).

Reasons CEO does not participate in social media (among executives with unsocial CEOs)





7

CEO sociability is inherently risky

Both executives with social and unsocial CEOs are mindful of the risks inherent in their CEOs using social media.

Not surprisingly, the level of risk perceived by executives with unsocial CEOs is high and certainly a factor that turns CEOs off to social media engagement. Exactly two-thirds of executives with unsocial CEOs (66%) believe that it is very or somewhat risky for CEOs to participate in social media. While these executives are significantly more likely to perceive risk in sociability than those executives with social CEOs, approximately half of their counterparts (49%) acknowledge risk suggesting that it is not an unfounded fear.

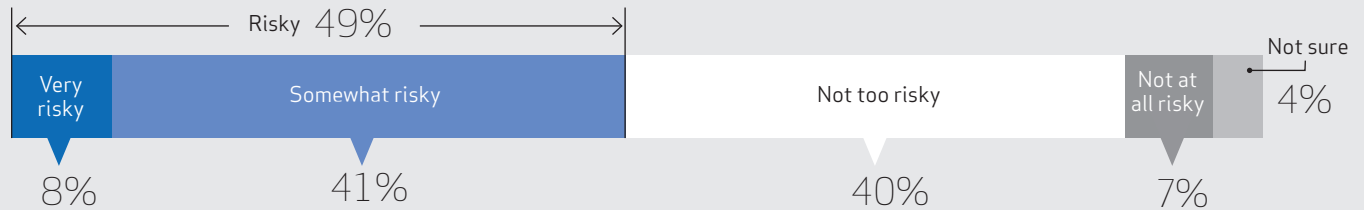
Insights from CEOs themselves...

One Fortune 500 company CEO believes that the real risk is in not using social media. By not being a social CEO, he argues, a CEO runs the risk of not getting his or her message out. "Your message is getting lost or not heard if you aren't doing it. So the null set would be... what happens if you don't?" Besides, all change begets risks.

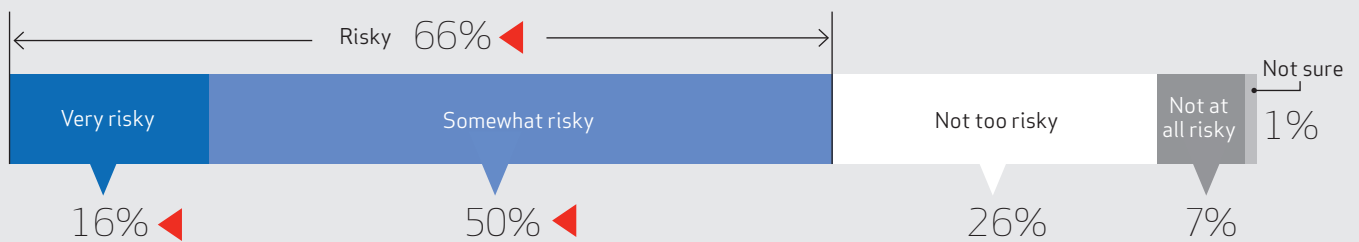
Another Fortune 500 CEO points out that a similar concern was undoubtedly raised when the telephone replaced the telegraph as the main source of communication. "There are risks and concerns with all kinds of things that you do as CEO. You just focus on the positives and you manage whatever the risks might be. After all, isn't it the job of CEOs to manage risk?" If social networking is here to stay, the CEO's responsibility is to figure out how to use it in a way that minimizes its downside and maximizes its upside.

Level of risk of CEOs participating in social media today

Executives with social CEOs



Executives with unsocial CEOs



◀ Significantly higher than other sub-group

While CEOs may consider their lack of social participation a sensible precaution given the perceived risks, the downside is that their company misses out on a powerful way to engage stakeholders and reach people where they are listening.

How companies learn to manage this inherent risk should be a company imperative. Organizations of all types should have plans in place to deal with social media threats to their reputations. At the very least, CEOs who participate in social media should not only comply with their companies' social media guidelines and policies, but also understand the unique risks and pitfalls specific to their role as head of the company. There is much additional risk for a CEO to use social than any other employee, with repercussions that have reputational and financial implications. CEOs need additional training and guidelines before they start

socializing. They should also make sure that their boards are aware of this CEO activity. Since relatively few executives with unsocial CEOs cite discouragement by legal counsel as a barrier to sociability (20%), risk may be considered more of a reputational nature than legal.

The good news is that risk is projected to diminish with time. Nearly six in 10 global executives (56%) consider a CEO's participation in social media to be very or somewhat risky today, but fewer see the same level of risk five years from now (45%).

Sociability drives CEO likes

Both social and unsocial CEOs have communications styles that are characterized by their executives as mainly open, honest and respectful. Yet, social CEOs are rated significantly higher on these qualities compared to unsocial CEOs. They are also more likely to be seen as friendly, spontaneous and personal than unsocial CEOs. Generally, executives with social CEOs are significantly more likely to use positive words while executives with unsocial CEOs are significantly more likely to use negative words to describe their leaders' communications tone.

How executives describe their CEO's communications style

◀ Significantly higher than other sub-group

	Executives with social CEOs	Executives with unsocial CEOs
Open & honest	86% (#1) ◀	77% (#1)
Respectful	86% (#1) ◀	76% (#2)
Friendly	84% (#2) ◀	61% (#3)
Spontaneous	73% (#3) ◀	58%
Personal	68% ◀	59%
Formal	64% ◀	55%
Everyday language	50%	53%
People-focused	64% ◀	40%
Numbers-focused	36%	60% ◀
Corporate language	50%	47%
Informal	36%	45% ◀
Impersonal	32%	41% ◀
Scripted	27%	42% ◀
Distant	16%	39% ◀
Condescending	14%	24% ◀
Closed and misleading	14%	23% ◀

What is the most telling difference between communications from a social CEO and an unsocial CEO? The focus on people (social) vs. numbers (unsocial).

8 Listening is social, too

Even if a CEO is not actively posting on social media, monitoring what is said by customers, investors, competitors, employees and other stakeholders is critical.

Compared to unsocial CEOs, social CEOs are significantly more likely to be considered good listeners by the executives who work for them.

Percent of executives who say their CEO is a good listener



However there is more interest in listening than in participating among unsocial CEOs. Slightly more than one-quarter of executives with unsocial CEOs (27%) report that their CEOs scan or monitor what is said in social media, suggesting they see some value in the medium. CEOs can gain more timely insights by hearing unvarnished opinion.





CEO social proficiency develops over time

Our data suggests that CEO social participation and the resulting benefits increase over time.

The sample of executives in our study yielded segments whose CEOs have been social for less than three years (58%) and three years or longer (37%). Compelling differences between these groups suggest that socialization is an evolutionary process with increasing payoffs.

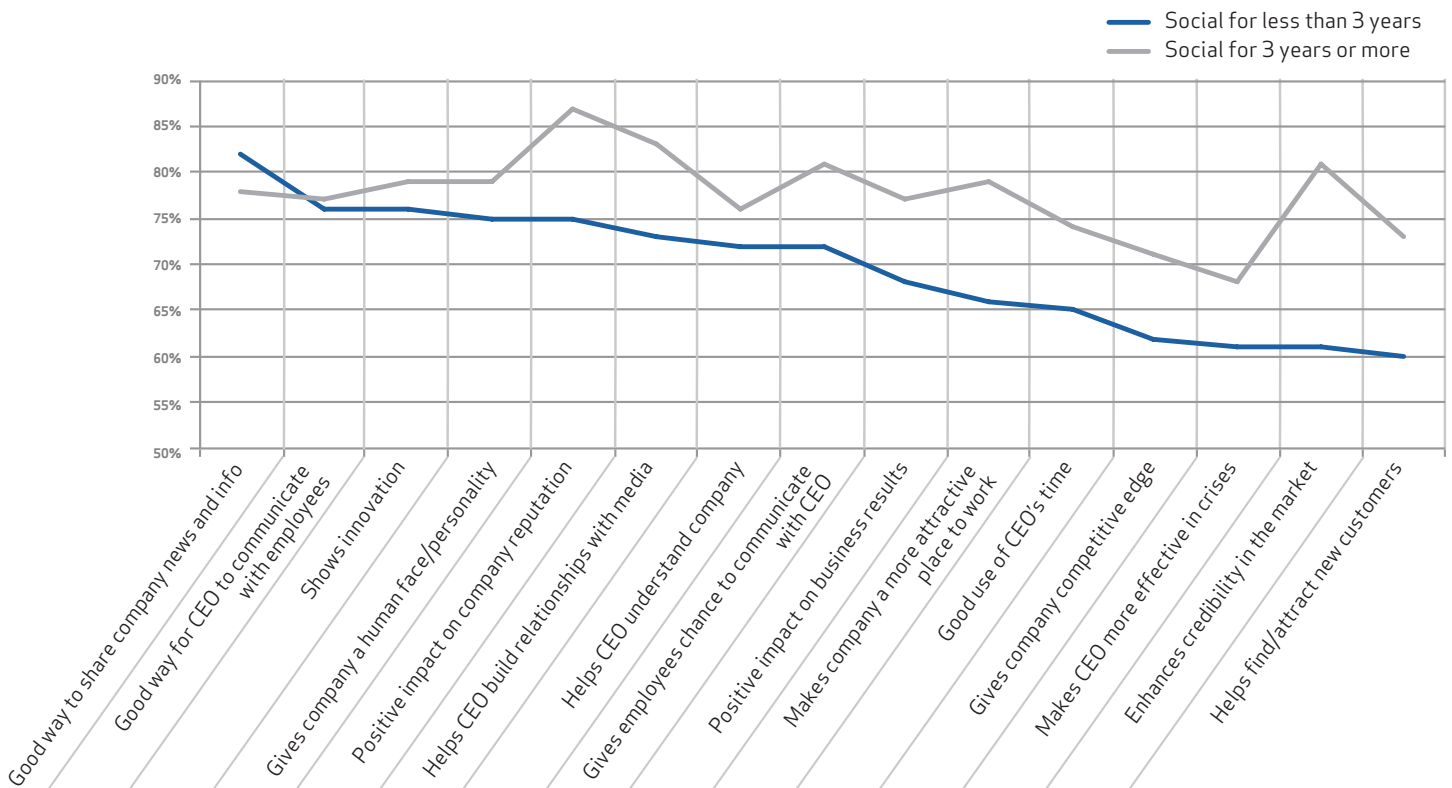
» Nearly every benefit of CEO sociability is magnified the longer a CEO participates in social media, but the inflection point is three years. After three years of CEO sociability, executives

notice some significant benefits relative to executives whose CEOs have been social for less than three years.

» After three years of sociability, the top benefit is company reputation. For social CEO “rookies,” sharing information and news is the top benefit.

Additionally, the more “socially-tenured” a CEO, the more people-focused and spontaneous he or she is considered to be by executives.

Benefits of CEO’s participation in social media by social tenure (among executives with social CEOs)



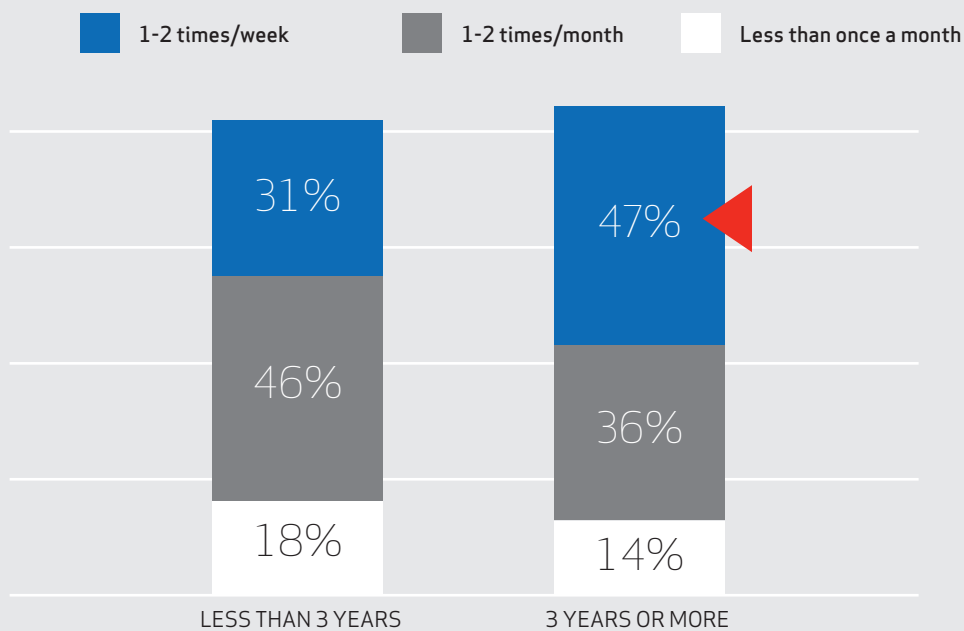
The difference between advantages realized during social tenure may be a function of expectations vs. experiences. CEOs may have been enticed to enter the social waters with the intent of efficiently disseminating company news, but over time he or she comes to realize that reputation is lifted by social participation.

CEOs' social postings become more frequent over time. Longer socially-tenured CEOs are significantly more likely than shorter socially-tenured CEOs to post at least weekly. This is probably driven by increased comfort level in using social

media and communications in general but is also a response to witnessing the payoffs for the company.

CEOs need to be patient when embarking on a path to sociability. It will take some time for them to hit their stride. In a report to be subsequently released, Weber Shandwick will reveal how CEO sociability evolves over a CEO's tenure.

CEO social posting frequency by CEO's social tenure (among executives with social CEOs)



◀ Significantly higher than other sub-group

“CEOs respond differently to the idea of communicating through social media, but the intrinsic value of sociability should not be ignored. The business environment has been changed and business practices are surfaced by the technology available. Take it or leave it, but it has created a significant difference today.”

Fortune 500 Chief Communications Officer, China



The seven habits of Highly Social CEOs

More than one-third (36%) of executives in our study who have social CEOs report that their CEO participates in social media at least once per week. We examined these exceptionally active CEOs relative to all social CEOs to develop a profile and model of the “highly social” CEOs in the world.

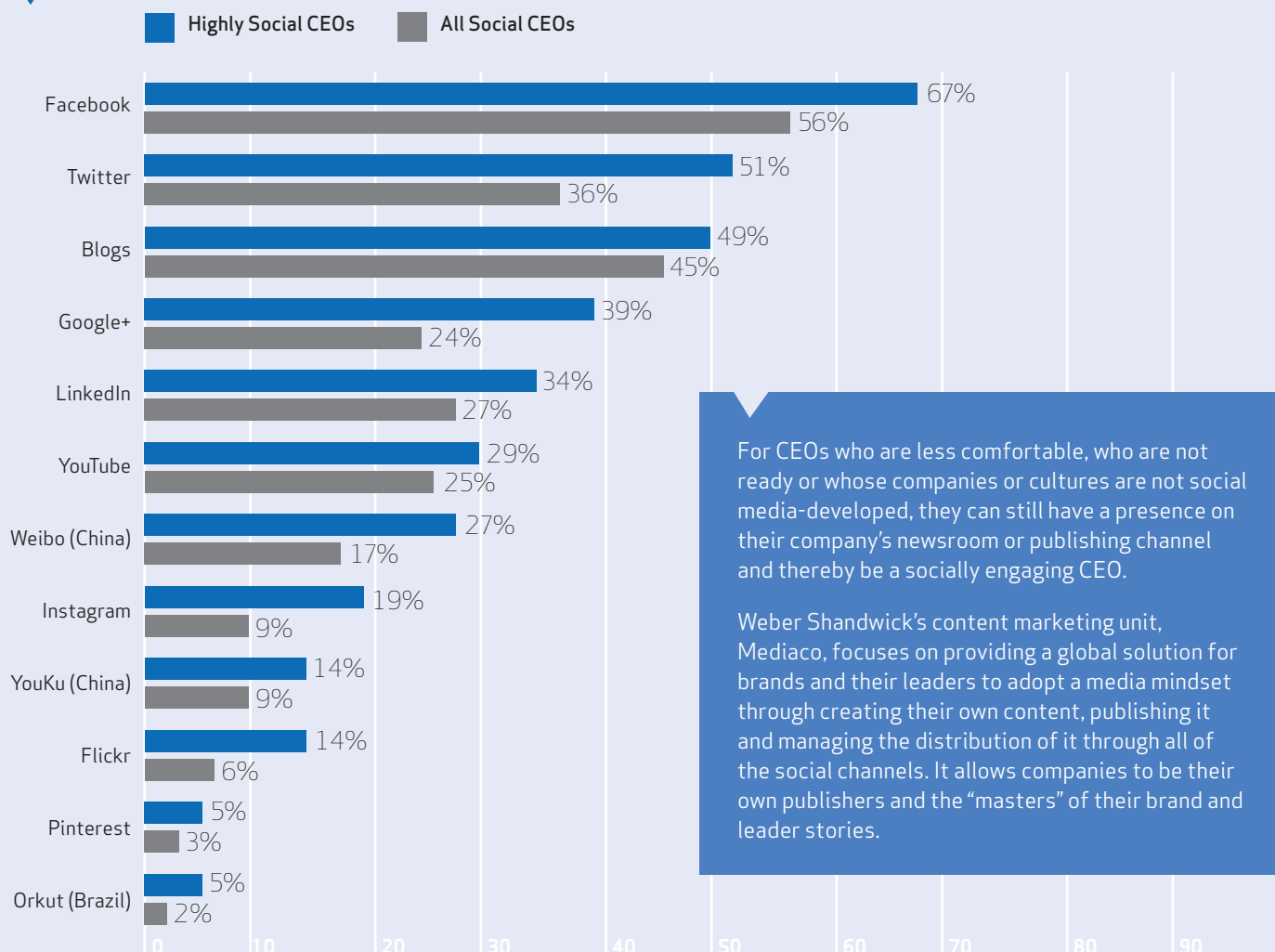
1. Highly Social CEOs use a more expansive set of social tools

Highly Social CEOs over-index on usage of every social media channel. These CEOs realize that sociability goes beyond dropping messages into a Twitter feed. World class sociability requires a strategically-crafted plan for driving the company’s content across several channels.

2. Highly Social CEOs own a blog

Highly Social CEOs are not much more likely than overall CEOs to post to blogs (49% vs. 45%, respectively). However, among those who do blog, Highly Social CEOs are much more likely to have their own blogs (92% vs. 82%, respectively, among CEO blog posters). These CEOs see the value in long-form, original content and communications as a way of giving their perspectives context, meaning and depth.

Where social CEOs post



3. Highly Social CEOs leverage the company website

Nearly every Highly Social CEO posts to his or her company's website — 93%, according to executives surveyed. These leaders realize that the website remains “digital ground zero” for anyone seeking information about a company and its leadership and offers a platform for content to be delivered in multiple formats — video messages, photos, etc.

4. Highly Social CEOs self-author

Highly Social CEOs are much more likely than the average social CEO to write their own posts (63% vs. 45%, respectively). Highly Social CEOs are such frequent posters that they have probably determined that it is more efficient to do it themselves and are comfortable enough doing so. Weber Shandwick does not advocate using a ghostwriter as a substitute for the CEO's own perspectives and words. However, under some circumstances, such as summarizing a speech given by the CEO, it is acceptable. As one CEO in China said, he writes himself because he is the “soul of the company.”

5. Highly Social CEOs are forward-looking

Not all executives believe that their CEOs are thinking beyond the next quarter. Highly Social CEOs, however, are more likely to be perceived as forward-looking than the average social CEO (68% vs. 61%, respectively). These Highly Social CEOs may intuitively understand that technology and social media are the future of content distribution and they do not want to miss out on this communications revolution that has only just begun.

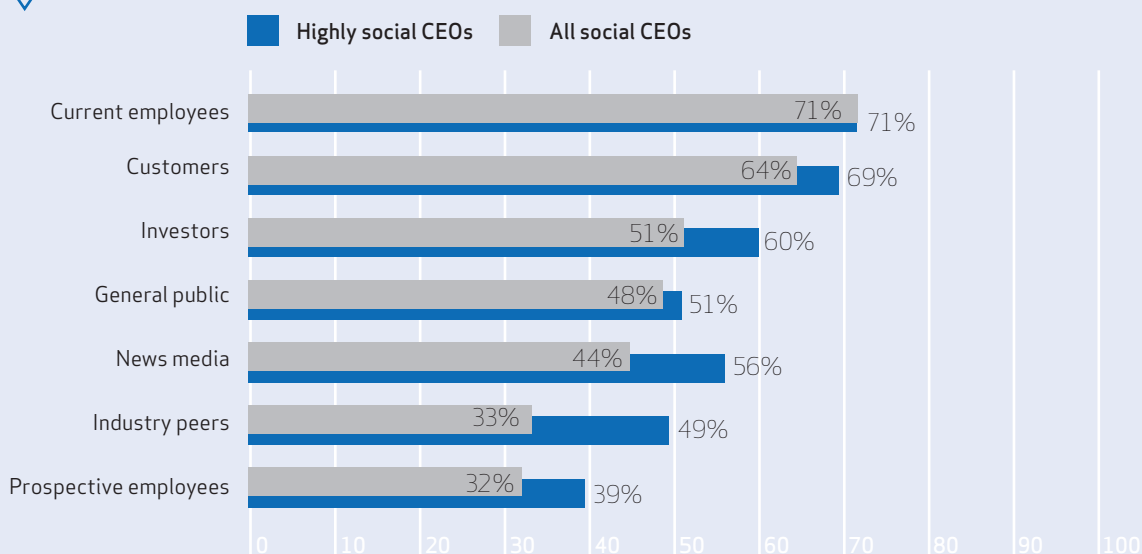
6. Highly Social CEOs are spontaneous yet not too informal

Executives were asked to describe the tone of their CEOs' communications style. The widest gaps between Highly Social CEOs and the average social CEO were for “spontaneous” (78% vs. 73%, respectively) and “formal” (70% vs. 64%). These socially adept CEOs are able to maintain the formality of their office but let stakeholders know that they can react quickly and seize opportunity.

7. Highly Social CEOs engage a wider variety of external stakeholders

Highly Social CEOs are much more likely than overall social CEOs to target external audiences with their social activities, especially their industry peers but others as well — investors, media and prospective employees. These CEOs see the value in sociability and use it to their companies' advantages.

Intended audiences for social communications



For more information about **The Social CEO: Executives Tell All**, please contact:

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