



University of Wisconsin-Madison

UW E-Business Consortium

"Helping Industry Gain Competitive Advantage Through E-Commerce and E-Business"

www.uWebc.org

Project Report

**Social Media Strategy:
Opportunities and Leading Practices**

Project Sponsor

American Girl

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December 2008

Executive Summary

American Girl is interested in utilizing social media as a platform to reach a wider audience. American Girl's core target customer base consists of girls in the age group of 5 to 13 years. This project consists of a study of the use of various social media platforms, their effectiveness, reach, feasibility, and the risks involved in their usage. The study was divided into four sections:

- A study of various social media platforms
- Legal and executive risks involved in use of each of these platforms
- Best practices in the use of social media
- Competitive analysis

A significant amount of research was done to find the latest trends in the use of social media. Various platforms in social media were studied and the most promising were shortlisted for a more detailed study. The shortlist consisted of blogs, wikis, social networks, and podcasts. A risk analysis was done for each of these platforms with a focus on implementation risks and the legal issues facing the use of such platforms.

The competitive analysis was featured as a major portion of the study. The competitive analysis was done by comparing 16 different Websites over 9 categories, which together rated each site over 52 different criteria. Points were assigned to each criterion and cumulative point leaders were deduced in each category. The selected Websites belonged to both direct competitors (such as Barbie and MyTwinn) and indirect competitors, whose sites were chosen because they appealed to the same customer target segment as American Girl. Other sites were also selected in the competitive analysis because they had effective and widely used social media platforms. The competitive analysis also formed a basis for selecting companies that were used as case studies in usage of social media. Websites were rated on categories that showed the direct effect of the use of social media. Thus, not only the use of social media, but its effective use was sought in the competitive analysis.

The best practices study filtered out the most successful uses of social media by companies for gaining a customer base and eventually increasing profits. The best practices study focused on the motivation for the use of the social media platforms rather than the platform itself. The practices were studied as a means to an end, in which these social media platforms acted as tools to get the desired response in order to accomplish business strategy goals.

Interviews were also conducted with industry experts to gain insights into issues such as the legal complexities involved in interacting with children on the Web, and the real world, practical trends in the use of social media platforms with the American Girl target segment.

This project report is intended to provide American Girl a holistic view of the social media space. Along with this view, the report also recommends a set of questions that the American Girl management should consider prior to forming their social media strategy, in order to leverage the social media phenomenon and mitigate the risks associated with it.

Acknowledgements

We greatly appreciate the time, expertise, and enthusiasm that was provided throughout the project duration by our wide array of resources. Our project group would like to thank the following people who were instrumental in the completion of our project:

American Girl

- Lisa Dyson – Sr. Director, Direct Marketing
- Todd Gundrum – Web Director
- Kathy Monetti – Vice President, Brand Marketing

University of Wisconsin-Madison

- Professor Raj Veeramani

Whyte Hirschboeck Dudek S.C.

- Deborah Spanic

Circle 1 Network

- Jorian Clarke

Thank you all for your help.

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