



Best Practices for Using Social Media for Customer Service

Project Sponsor

Colony Brands

Authors

**Jenna Klaus
Kristin Roskopf
Robert Buchanan
Ashutosh Pandey**

December 2013

Executive Summary

The Internet remains one of the most dynamic areas for business and consumers to interact. As social media continues to boom, customers and businesses are increasingly turning to these channels to connect with each other. A business' social media page has not only become an important branding and marketing asset, but has also developed into a public platform for customers to bring issues to light. This changing consumer behavior has created uncertainty for customer service departments as they attempt to determine the best course of action when faced with public interactions.

Colony Brands is one the world's largest direct marketers and has evolved into a network of 12 brands for consumer goods. Because of the importance of their customer relationships, Colony Brands the aim of this project was to research and compile best practices for using social media for customer service.

To achieve the project goal, we engaged in three workstreams. First, we analyzed the Facebook pages of 11 companies, including direct and indirect competitors, as well as customer service leaders in other industries. This effort also included a scenario analysis, in which the authors attempt to define general approaches for the most common types of customer service interactions. The second stream of work involved interviews with six UW E-Business Consortium members to get an inside view of what challenges other companies face, as well as techniques and tools that are commonly used to manage customer service on social media. The final workstream focused on identifying accepted best practices and case studies to support these claims through web-based research.

Key findings from this study indicate that the leaders of customer service on social media are efficient and productive when handling customer claims. Companies such as Target and Best Buy are able to respond within one hour of a customer's post on average. Colony Brands' Facebook history suggests a relatively slower response time, generally averaging around 24 hours after a customer's comment. This response time could be shortened with further development of training for the most common scenarios faced by representatives. In addition, social Customer Relationship Management (CRM) tools can be employed to efficiently manage claims created on social media and traditional customer service channels. Another recommendation to improve response time includes staffing part-time representatives overnight and on weekends during peak seasons to accommodate the increasing volume of traffic. Overall, Colony Brands handles customer service on social media quite well, but there is certainly room for improvement.

Acknowledgements

Our project team would like to take this opportunity to thank the following individuals who invested the time and energy to make this project happen. We greatly appreciate their help and recognize that they are part of the reason that we completed this project successfully.

- Project Manager
 - Steve Moon
- Social Media Analyst
 - Brenda Kulow-King
- Project Advisor
 - Raj Veeramani, Professor
- UW E-Business Consortium Members

Thank you for all your advice and feedback throughout the project!

Table of Contents

Executive Summary	1
Acknowledgements.....	2
1.0 Project Overview.....	5
1.1 Company Background	5
1.2 Project Motivation	5
1.2 Project Goals and Objectives	5
1.3 Project Scope and Approach.....	6
2.0 Current Social Media Usage for Customer Service	7
3.0 Page Analysis	8
3.1 Approach.....	8
3.2 Key Highlights from Page Analysis	10
3.3 Scenario Analysis.....	10
• 3.3.1 Customers Angry with Customer Service.....	11
• 3.3.2 Credit-related Queries.....	12
• 3.3.3 Offers/Discounts	12
• 3.3.4 Foul Language	13
• 3.3.5 Keeping Customers Updated	14
• 3.3.6 Giving Bad News.....	14
• 3.3.7 Unsubscribe.....	15
• 3.3.8 Responding to Praises.....	15
• 3.3.9 Answering a Query	16
• 3.3.10 Summary of Recommendations from Scenario Analysis	17
4.0 UW E-Business Consortium Interviews	18
4.1 Interview Purpose and Approach.....	18
4.2 Company A	18
• 4.2.1 Description.....	18
• 4.2.2 Insights.....	18
4.3 Company B	19
• 4.3.1 Description.....	19
• 4.3.2 Insights.....	19
4.4 Company C	19
• 4.4.1 Description.....	19
• 4.4.2 Insights.....	19

4.5 Company D.....	20
• 4.5.1 Description.....	20
• 4.5.2 Insights.....	20
4.6 Company E.....	20
• 4.6.1 Description.....	20
• 4.6.2 Insights.....	20
4.7 Company F.....	21
• 4.7.1 Description.....	21
• 4.7.2 Insights.....	21
4.8 Key Takeaways.....	21
5.0 Best Practices and Case Studies.....	22
5.1 Fast Response.....	22
5.2 24/7 Customer Support.....	23
5.3 Have a Crisis Plan.....	23
5.4 Well Trained, Competent Staff.....	24
5.5 Redirect the Conversation.....	24
5.6 Provide Customers with a Post Guideline.....	25
5.7 Use a Social CRM Suite.....	25
5.8 Build Buzz-Don't Delete.....	26
5.9 Embrace Informality.....	26
5.10 Ask for Feedback and Implement Change.....	27
6.0 Conclusion and Recommendations.....	28
7.0 Appendix.....	29
8.0 Bibliography.....	35