Social media in the automotive industry

Christine Belskey, Annie Brophy, Moe Finn, Max Marzouk, Anmol Sidhu
The purpose of this ebook is to help car manufacturers, dealers, consumers, and other vendors in the automotive business get a better grasp and understanding of what social media is and how it can benefit their business.

What is social media?

Why is social media important?

Have you heard of Facebook, Twitter, YouTube, or blogging?

How will social media benefit your company?

Who is your audience?

What are your company’s goals and objectives?

Social Media Outlets

What are the pros and cons of each tool?

The Fast Lane to Social Media

The Do’s and Don’ts of Social Media

Case Study: Chevrolet

Evaluating your Social Media
To get things started, let’s break down social media.

**Social media** is the future of traditional communication. It uses texts, images, audio, and video in a variety of ways in order to *engage* an audience. It is based on tools and platforms that allow for information to be readily available for viewing and commenting. Unlike the traditional methods, social media is a *two-way communication process* that allows for a conversation to take place between individuals.

<table>
<thead>
<tr>
<th>Traditional Marketing</th>
<th>Social Media Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• One Way: Business to Consumer</td>
<td>• Multi-way</td>
</tr>
<tr>
<td>• Push and interrupt</td>
<td>- business &lt;-&gt; consumer</td>
</tr>
<tr>
<td>• Brand-generated</td>
<td>- consumer &lt;-&gt; business</td>
</tr>
<tr>
<td></td>
<td>• Participatory</td>
</tr>
<tr>
<td></td>
<td>• User-generated</td>
</tr>
</tbody>
</table>

(Wilcox, 2010)
Why is social media important?

The automotive industry should use social media because it allows them to **engage in two-way conversations** with all of their audiences. It is important for companies to take full advantage and participate in the **conversations** to acknowledge customers wants and accommodate their needs. These two-way conversations will effectively benefit your company and its consumers.

Your customers are having conversations about you on many unique social media tools. **It’s time you joined their conversations!** Doing so will help your company enhance your brand’s identity as well as better serve the needs of their constituents.

“**Two-way conversations will effectively benefit your company and its consumers.**”
Have you heard of Facebook, Twitter, YouTube, or blogging?

Chances are that you have been acquainted to or have heard of these social networks in passing. **They are growing communication forms that allow people to socialize with one another.** More and more people are turning to online social media to express their thoughts.

It is important for businesses to recognize this and meet these people on their playing field. The industry and their consumers are constantly changing and in order to keep up with others in the automobile industry, **we must reach out to them.**

“**they are growing communication forms that allow people to socialize with one another.**”
“It is vital for people within the industry to have an open conversation with the public.”

The automotive industry is a “need” industry that keeps individuals coming back for more. Consumers will always be dependent on the automotive industry throughout their lives whether they are interested in a new car, a check-up, a new part, or simply an inspection. For this reason, it is vital for companies within the industry to have an open conversation with the public (Rucker, 2010).

Social media provides immediate feedback, allowing companies to benefit from listening to their consumers reviews in order to better their business. Before you get started on implementing social media, it is important for your business to establish goals and objectives to help map out your company’s plan.
How will social media benefit your company?

With social media, *everyone benefits!* It allows consumers to be heard and gives your company the power to respond to and implement their consumer’s needs because of two-way communication. This communication allows consumers to have conversations, discussing views within your company’s social media outlet. Social media reaches a much broader, eclectic audience, providing you better feedback. *Be it positive or negative, your company should capitalize on consumer feedback.*

This feedback offers *invaluable insights* that can positively influence the marketing of your product. Your company should listen and take advantage of these insights to build your brands credibility. Consumers reviews call attention to an *opportunity for improvement.*
Some companies also use **internal social media platforms**. These only provides access to those permitted. Your company can set up a private venue for selected members that limits access to others outside the internal selection. This venue has a democratizing effect. Regardless of position within a company, **any member can become a contributor**. This inherently gives them a sense of competency and assurance in knowing that their input could be considered in your company’s decision-making process.
What are your company’s goals and objectives?

Your company’s goals and objectives will determine what social media tools your company should use to reach their public.

Goals and objectives must be established before using social media tools. Social media outlets enable your company to customize a message that incorporates these goals and objectives. Devising an attainable message will help your company reach specific business needs. Investing in social media will effectively provide admirable results for your company. If goals and objectives are aligned with your social media tactics, it will be the key to your success.
**Facebook**

A **social network** that allows members to establish a business page which has special features to cater to business needs, allows customers to “like” the page and comment among other things.

**YouTube**

A **website for video sharing** which allows members to upload videos, add tags to them and share them on Youtube, and to comment on them.

**Twitter**

A **micro-blogging tool** that gives members the opportunity to post updates **up to 140 characters**.

**Blogs**

Short for **web-logs**, usually written by an individual or a group who write posts about a certain topic; users can comment in response to these posts.

**Digg**

An **information trading outlet** that collects data on popular topics nominated by viewers. Individuals can easily share and retrieve top rated material found on the Internet.
What are the pros and cons of each tool?

<table>
<thead>
<tr>
<th>Tool</th>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
</table>
| Facebook | • Extends your company’s network  
• Broadcasts your company’s personality  
• Accessible to millions of people | • Requires extensive interaction with customers  
• Takes time and preparation to manage  
• Difficult to evaluate impact on company’s total sales |
| Twitter  | • Ability to listen effectively to consumers  
• Easy to use | • Addictive  
• Value of tool decreases with insignificant posts |
| YouTube  | • Free  
• Entertaining venue | • Takes time to create video  
• Takes time to monitor comments |
| Blogging | • Broadcasts your company’s personality  
• Provide insight from a credible source  
• Gives the company a face | • Takes time to maintain  
• Potential negative comments |
| Digg    | • Links information from all over the web  
• Popular in automotive industry | • Focuses around news, so lack of news will result in lack of conversation |
Now, get going! There is no reason to wait around to start using social media. As you begin, ease into your usage and watch how others in your industry are using and benefiting from social media (Lauby, 2009).

In 2007, General Motors (GM) joined with the television show “The Apprentice” and allowed viewers to craft an advertisement for their Chevrolet Tahoe and post it online. Some participants, upset about the car’s negative effects on the environment, created advertisements with slogans that focused on disrespecting or despising Mother Nature (Karjaluoto, 2008).

Yet, in other instances of social media, such as GM’s blog “FastLane,” GM has found success (Baccus, 2010). Their blog has sections such as: “Photo of the Day”, “FYI”, and “Lab”. Blog enables readers to join GM’s web-chats and comment on their blog posts. This medium also gives GM the opportunity to preview advertisements that will be on television (Steward, 2011). Blogs, such as this one, help to establish a close relationship with their consumers.
The Do's of Social Media

- Post frequently and consistently. Tweet often.
- Customize your site with pictures, tags, videos, and audio.
- Monitor concerns and comments from consumers, even negative ones.
- Reply immediately in a conversation.
- Engage your customers by asking them questions.
- Be transparent. Let visitors peer into your world.
- Create easy access to archives on your blog.

The Don'ts of Social Media

- Overtweet.
- Make spelling or grammar mistakes or use confusing abbreviations.
- Post personal information on your business page.
- Spam your fans with useless updates.
- Remove the ability to add comments.
- Allow offensive comments.
- Be anonymous in your blog.
- Try to sell something to consumers through one-way persuasion.
October of 2006, marked the start of Chevrolet’s Aveo “Livin’ Large Campus Challenge.” Chevrolet implemented the marketing application known as “Talking” to harness the power of the web by letting customers carry a message for the company. Two students at seven different universities began living in a 2007 Chevy Aveo sedan for one week. The students were only able to leave the cars to attend class and use the bathroom.

Each team’s goal was to attract as much online attention as possible and earn the most votes during the week. The students wrote blogs, recorded and posted online videos, and rallied thousands of their friends through groups on Facebook and MySpace. According to the public relations firm, Weber Shandwick, the campaign generated 217 million impressions and connected over one million college students to the contest through Facebook and other online media. (Bernoff & Li, 2008) The success of the campaign was twofold: first, it was far less expensive than a traditional marketing campaign, and second, it established a powerful consumer connection to the Chevrolet brand.
Today, *social media usage in marketing is imperative*. Social media can provide your company venues to market your product. Your company needs to utilize these venues to effectively reach your audience. Once your company has established sites, assessing the impact is important.

*Evaluation is an assessment process* that requires you to measure the impact of your initiatives. It is the final component that will determine whether or not your marketing claims have been effectively presented. Participants in the automotive industry must evaluate whether or not the social media platforms they have used have effectively marketed their product and invited consumers to share their perspectives.
(2011, January 23). Write Great Social Media Goals.
Cheeseman, Gina-Marie. (2010, May 26). How can a company shape its social media message?.
Donaton, S. (1999). When employees don't get it, branding efforts are in vain. Advertising Age, 70(4), 32.
Grove, J.V.(2010, June 8) Starbucks used social media to get one million to stores in one day. Mashable.
Rucker, JD. (2010, January 5). Why going social can make or break the automotive industry. Fast Company.
What is digg? http://about.digg.com/about