



New Strategy for Enterprise Competitiveness
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Strategy | Marketing | Innovation | Knowledge | Technology

Web 2.0 Case Studies

Tech Image Breakfast Club

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Marketing 2.0 Examples: Wells Fargo

**WELLS
FARGO**

Marketing 2.0 highlights

- A long-time online banking pioneer, Wells Fargo has been blazing the trail by assigning Web 2.0 to the front lines, customer-facing processes
- The bank's "hundreds of blogs" have become the most-read nonbanking pages on wells Fargo.com
- 2007 website redesign incorporates Web 2.0 features and content
- First bank with a business banking blog
- First bank with a Second Life presence and first bank on MySpace

Key insights

- All bloggers are team members who have other full time jobs
- They add blogging - writing, posting, reading, replying - on top of those jobs
- Bloggers are not communications people

"The updated Wells Fargo website takes a customer focused approach to ease access to most wanted features (and the bank has seen a) 50% increase in online applications."

– Paul Penrose, finextra

Marketing 2.0 Examples: Delta Air Lines



Marketing 2.0 highlights

- Marketing 2.0 is having a major impact on remaking Delta, post-bankruptcy
- Blogs have customer comments
- Answered by Delta employees
- It took months to convince senior management
- The resource impact need not be huge
 - Delta has done it with one product manager, one moderator and an outside firm for after hours

Key insights

- When you launch blogs with customer input, prepare to be overwhelmed because you will be
- Make the time to participate and respond
- There is a big generation gap
 - It is hard to explain to older managers
 - Don't give up; keep showing them the importance of being a part of it
 - Motivate them to blog, so they can understand from their own experience

"Participating in customer conversations can be an excellent driver to foster corporate change; it is helping us to be more transparent, human and caring. It's bottom-up."

– Laura R. Hunnicutt,
General Manager,
Customer Experience

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Marketing 2.0 Examples: Dell



Marketing 2.0 highlights

- External: Direct2Dell is currently a major driver in repositioning Dell in its customers' eyes
- Internal: blogs, wikis, RSS and Twitter enable motivated, passionate groups to emerge
 - People can find and energize each other
- People are Dell's secret sauce

Key insights

- Dell is very ROI-driven, but it's off the table
 - Marketing 2.0 is supported by Michael Dell
 - Dell is leveraging it to win confidence back
- Most marketers aren't ready
 - D2D had 1.3 million members and many negative comments; Mehta was almost fired
 - Direct2Dell will be key in Dell's turnaround
- You must allow innovation to fail; if you're not taking risks, you're not innovating

"Negative comments about Dell are falling significantly: even though we can't put a price on that, we know it's valuable. It was the right thing to do, and it's working."

– Manish Mehta, Vice
President, Global e-
Commerce, Dell

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Marketing 2.0 Examples: Procter & Gamble



Marketing 2.0 highlights

- Innovation is a core strategy at P&G
 - How consumers use products in their lives
 - Marketing adds value to products
- P&G sources 50% of innovation from outside;
 - Crowdsourcing (chemical) engineering
 - Intend to do it with marketing
- Marketing 2.0 key to innovation
 - Gen Y works this way; they are key to demand
 - It is contagious; P&G's blogs began on an old \$1,500 server; now they have 200 very active

Key insights

- P&G is very data and ROI driven; however:
 - ROI is very appropriate for stable processes
 - Innovation is a different kind of process, so don't measure it like a manufacturing process
- Make innovation investments in small chunks
- People are making negative comments anyway; you might as well be in contact with it

"The worst mistake is not letting go of control; you have to let people learn, and innovation is a different learning process. You can approach it this way if you chunk investments small."

– Stan Joosta, Innovation Manager, P&G

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Marketing 2.0 Examples: Playboy Enterprises



Marketing 2.0 highlights

- Playboy on Second Life
 - Projecting the brand, a key strategy for Playboy
 - Understanding how virtual worlds will affect entertainment as a whole
- PlayboyU social networking site
 - Members must have ".edu" email addresses
 - Member content for Playboy Radio and TV
 - Embrace consumer content and integrate it

Key insights

- Think holistically and break down silos
 - Some silos no longer serve customers
- Don't assume you know what customers want
 - PlayboyU is evolving based on customer input
 - Customers get mobilized when they know you listen
- Get in touch with your customers as people
 - Look beyond the product and the technology

"Human impulses remain the same. Technology enables people to act on them differently. The technology may change, but the impulse is a constant."

– Christie Hefner, CEO

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Marketing 2.0 Examples: Morgan Stanley

Morgan Stanley

Marketing 2.0 highlights

- 75 Web 2.0 projects underway as of Fall 2007
- Social networking, online communication, expertise location, Q&A services
- Online client-facing social communities
- Automated process for converting email groups to online forums
- RSS and wiki pilots

Key insights

- More than 50% of Morgan Stanley's 55,000 employees are 35 years old or less; they have grown up online and have different work styles
- The new generation of workers produce more value while collaborating online; that's competitive advantage
- Marketing 2.0 solutions are different; they're so easy to use that minimal training is required
- Key barriers: organizational/cultural resistance

"Morgan Stanley faces a choice: force the younger generation to learn the old way of doing business or adapt to new models of work and organization."

– Adam Carson, Marketing 2.0 Solutions

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Marketing 2.0 Examples: Dresdner Kleinwort

 Dresdner Kleinwort

Marketing 2.0 highlights

- Several years experience with wikis, in 3 main areas:
 - Managing meetings
 - Team-created presentations
 - Team brainstorming
- Results: wikis have put everyone on the same page:
 - Reduced cost of running meetings
 - Lower barriers between teams across silos
 - Improved product specifications and documentation

Key insights

- Wikis improve administrative and communication processes, inherent in all project team-based work
- However, these costs have rarely been measured, so quantitative results are difficult to measure
- Employees get excited and word spreads rapidly:
 - "I've found that the wiki allows you to focus on the content, rather than all the technicalities of a heavyweight document management system like Documentum."
 - "The wiki allowed us to pull all the various pieces that we needed to work on together without distributing it via email to everybody and then losing change control over it: who's merging what into where, or who's got the latest version. It's a much more effective way of working."

"We had to put together a set of slides collating information from the management team. Within 3 or 4 hours, a presentation evolved that would have taken days had it been through email and PowerPoint attachments."

–Stuart Berwick, Director

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Marketing 2.0 Examples: Diverse Revenue and Cost Benefits



- Wells Fargo
 - 50% increase in online applications
- Delta & Dell
 - Redefine/win back/win new customer relationships
- Dell & P&G
 - The link to innovation
- Playboy
 - Develop new businesses by collaborating with customers
- Morgan Stanley
 - Engage the emerging workforce
- Dresdner: major efficiencies in communication/administration
 - Managing meetings, group deliverables, cross-boundary

Thought Leadership: Selected Papers and Reports

- Via GHCJ: <http://tinyurl.com/58z5lf>
 - 2007 Analysis and Breaking Opportunity for CMOs
 - State of Social Networks and Web 2.0: Forrester Wrap
 - Case Study: Delta Air Lines' Use of Web 2.0
 - Case Study: P&G and Dell, New Model for Innovation
 - Consumer Empowerment: A Rare Innovation Opportunity
 - The Transformation of Advertising (and the agency ecosystem)
 - The Impact of Mobility on B2B and B2C
 - Rebooting Kraft: The Innovation Imperative
 - Charting a New Course: Communicating in a Digital Age
 - Enterprise 2.0: Game-changer for Investment Banks
 - Success Breeds Disappearance in Outsourcing
- Via EGLI: <http://tinyurl.com/6hmmt8>
 - The CMO Guide to Web 2.0: Blogs, Wikis, Twitter...

Background: Chris Rollyson, 20 Years of Experience with Enterprise Transformation

- Human capital transformation
 - Coached executives and specialists on thriving on economic changes
 - Built pioneering office for one of the largest human capital firms in the U.S.
- Technology transformation: the Internet and enterprise software
 - Leading role in launching Java as an enterprise solution
 - Launched one of the Midwest's first corporate Internet businesses
 - Standards-based technology, distributed computing
- Business process transformation: e-business and knowledge
 - Corporate change agent at Big Four consultancy
 - Built websites, intranets and extranets to change business processes
 - Principal and subject matter expert at (another) Big Four consultancy
 - Led strategy engagements to advise automakers, oil, consumer products, financial services and others on creating the "real-time enterprise"
 - Business strategy for start-ups: transform industries with innovation
- Marketing & relationship transformation: consumer empowerment
 - Customer-led communications revolution: what creates value and how
 - Globalization of colleagues and customers: P2P technology, relationships
 - What will stay the same, what will change

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Thought Leadership: Select Contact Information

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