

Innovation/Web 2.0

The Global Human Capital Journal

Case Study: on Delta Air Lines' Use of Social Computing

By Christopher S. Rollyson — Saturday, 20 October 2007

Social Computing at an Inflection Point—Preparing to Be Overwhelmed

The Global Human Capital Journal's [coverage](#) of the Forrester Consumer Forum 2007 continues with this session on Delta's experience with customer blogs. Moderator [Henry H. Hartevelde](#) did an excellent job setting up the session and letting [Laura R. Hunnicutt](#), Delta's General Manager of Customer Experience, talk with the audience about some real-world practical problems of moving executives' legacy thinking to Web 2.0. Having enterprise visionaries and thought leaders added tremendous value to the conference.

The Global Human Capital Journal published the [overall conference wrap](#) and will have several other in-depth articles in the days ahead. You can be notified as to their publication by subscribing to the forum's RSS feed.

This session showed that social computing can have a powerful strategic impact at inflection points in companies' histories. As everyone knows, Delta is recently out of [bankruptcy](#), and the airline business is difficult on a good day. The company is in a period of high risk-high reward, and Laura gave the audience a heartfelt behind-the-scenes look at the company's Web 2.0 efforts. Part of the way through the session, she invoked Delta's social computing guru, Jacob Morris, who added some insights:



- Critical to succeeding with social computing is to have the right leader. Jacob uses a mentoring approach, and he understands both the medium and the company. It's about moving things along as fast as possible while recognizing the limitations of the existing culture.
- Stop overprotecting the brand! (Reading between the lines, I believe she intended to say that the company doesn't own its brand outright anyway; it shares it with the community and customers).
- When you launch blogs that feature customer input, prepare to be overwhelmed. You will be. Make time to deal with it. You have to participate and respond to customers. (In my experience, if you fail in this, you'll be worse off than if you had never launched it). Direct, visible customer communications (via blogs) is a long-term commitment.
- In terms of the number of comments, Delta averages five to twenty comments daily. Employees from delta.com always respond the same day. Of the people who write, it runs the gamut, but Delta loyalists are well represented.
- Opening up and participating in customer conversations can be an excellent driver to foster corporate culture change. It will facilitate transformation. For Delta, it can help us to be more transparent, human and caring. It's bottom-up.
- It wasn't easy to convince executives to do launch social sites. They pressed for a value proposition. Why do it? To their credit, Delta's agency kept telling them that they had to do it to show their leadership. It would sync with "the new Delta" branding in place since emerging from bankruptcy this spring. All the same, it took months to convince senior management. Marketing and delta.com were very supportive, and Corporate Communications was lukewarm. Other areas were not very understanding.
- Surprisingly, Legal was supportive (she had been dreading *that* meeting). The legal guy had had experience with social computing, and he wasn't afraid.
- At this point, Delta has no "Facebook plans" and one of their agency's Twitter experiences didn't add value.
- In general, there is a big generation gap, and it is difficult to communicate the importance to older executives. But you can't give up; you have to keep educating and showing them the importance of being a part of it. It doesn't solve everything. You have to assuage fear at the executive level. Motivate executives to blog, so they can be coming to understand from their own experience.
- In response to a question about what insights Delta has gained from "the customer conversation," Laura said that maybe five percent of suggestions are really "out of the box." 95% reflects what we already hear through other channels. We read everything and take everything very seriously. Thus far, customer comments haven't had much impact on the improvements in the project

pipeline (because they aren't hearing about many unique issues), but they can help us to reprioritize projects in the pipeline.

- Metrics? Brand development is hard to measure. You have to take a long-term view.
- The resource impact is not huge at this point. Thus far, we have done it with internal resources. We have dedicated one product manager, one moderator and an outside firm to moderate after hours.
- In one humorous exchange during Q&A, someone asked Laura about transparency vs. "translucency" (partial transparency). She said that, with respect to Web 2.0, there was no middle ground.

Analysis and Conclusions

- I admire Delta for having the vision to make social computing a part of its effort to redefine itself. They correctly recognize that they are at an inflection point, and adopting social computing can send a powerful message to customers. If they do it right, they will allow customers to adopt their airline as *theirs*. That can enable them to add value in a completely new dimension, away from price. Similar stories are easy to find: JetBlue, Southwest. Yes, some of their value is due to economic and organizational advantages, but getting customers to spend an extra portion above the price of the cheapest ticket may be closer than they think if they let customers know that *Delta is their airline*. I don't mean more frequently flyer points: transparency, humanity and accountability will be much more differentiating for many people.
- From my experience, *the information* that Delta is getting from customer comments through the blog is not the important thing. It's *the process* that is the unique Web 2.0 value-add: customers can write what they want and be heard by Delta *and by other customers*. They can give part of themselves to the conversation, thereby making Delta their company. Being on a (digital) stage with the company and sharing thoughts with other customers and the company is the magic sauce. When customers write letters, they receive a courteous blah blah letters in response, and maybe a coupon. They don't feel heard. What can the president say? Customers want emotional satisfaction (be heard and responded to)—and often responses *by other customers* are more fulfilling than those by the company. Or, being responded to in a public forum can be very gratifying.
- When customers feel that they own a forum, they care about it. If you do it right, you can encourage customers to help each other. When a customer helps another customer, that action is satisfying in itself. Too many executives do not believe that customers will help each other because they can't see the emotional gratification that customers get from helping others (executives are too focused on economics). Helping and being recognized is a human need, and it's too often difficult to do at work or within family dynamics, so doing it online can be the highlight of someone's day.
- Laura's comment about "bottom up" process and caring hit a chord with me. As I've written extensively, in the Industrial Economy, companies increased competitiveness largely through efficiency and economies of scale. In the Knowledge Economy, efficiency is taken for granted and companies differentiate through social networks and innovation. In the Industrial Economy, efficiency-creating silos were revered at first, then tolerated. People were more flexible than company processes, so they had to accept the company's limitations. For employees, this was difficult because they often had to subjugate their humanity for process. Social technologies will enable companies to become more human because processes are becoming more flexible, and humanity will increasingly be prized as a differentiator.
- The importance of choosing the right leaders for high-risk, high-reward initiatives can't be overstated. Jacob is an excellent mentor, and Laura also has the right stuff: her obvious commitment and caring for the company and customers were palpable. At one point, she reflected that she felt so lucky to have a job that she loved so much.
- On "being a part of it" (the social computing change), as Laura put it, companies can't avoid it anyway. The world is changing around them. Executives' only choice is how and when they want their companies to relate to it.

About the Author

Christopher S. Rollyson launched *The Global Human Capital Journal* in 2005 to address the most poignant issues of day for chief executives, namely global transformation, the reinvention of the enterprise, technology and culture. Mr. Rollyson has been a technology and marketing visionary and pioneer for twenty years, with distinction in corporate strategy and innovation. As a consultant and marketing executive, he has had a leading role in launching such game-changing offerings as: Java with Sun, e-business strategy with PwC Consulting, and SOA, Web services and architecture solutions with IBM and nVISIA. In 2006, he launched The Consumer Empowerment Adoption Curve™ and Transourcing™, a new approach to innovation that leverages high performance collaborative partner networks. He currently advises global enterprises on collaborating with Web 2.0-enabled customers—to drive innovation and to engage emerging markets.

Formerly the Vice President of Marketing at nVISIA, he developed executive marketing programs and service offerings to drive the value of software transformation through service-oriented architecture and Web services, working with IBM, Rational and Grand

Central. Previously a subject matter expert for e-business and knowledge strategy in PricewaterhouseCoopers' Strategic Change practice, Mr. Rollyson developed original models and services frameworks for e-business strategy consulting. He consulted to clients in automotive, software, telecoms, consumer electronics, chemicals and petroleum industries, advising global enterprises in e-business strategy and technology start-ups on innovation and business strategy. Prior to PwC, he led marketing for KPMG's Midwest High Technology practice, where he built one of the firm's first intranets to transform the marketing organization to a real-time team. Before that the head of marketing at a leading edge Java consultancy, he played a key role in co-launching Java via marketing alliances with Sun and Netscape. Mr. Rollyson has done graduate work in corporate strategy and economics at the University of Chicago, with additional studies at Die Freie Universität Berlin, L'Université de Clermont-Ferrand in France and il Liceo Americano d'Aviano in Italy. He earned his undergraduate degree from Kalamazoo College. <http://rollyson.net>

The word "Tech" is written in a large, blue, stylized font. The letters are bold and have a slightly irregular, hand-drawn appearance. The 'T' is the largest and most prominent, followed by 'e', 'c', and 'h'.

About the Global Human Capital Journal

The Global Human Capital Journal addresses the global shift from the Industrial Economy to the Knowledge Economy, which is changing how human beings work and deliver value. In the Industrial Economy, products encapsulated the value of human work; in the Knowledge Economy, information produces the lion's share of value, and customer experience itself is the focus of commerce and government. A greater degree of collaboration among people of the world is possible than ever before, and increased interaction will bring unprecedented surprise and opportunity, especially because the potential is great to "level the playing field" among people of the world. Obviously, these developments hold significant ramifications for business and organizational strategy.

Global Human Capital covers two prongs of economic transformation: 1) strategically, how organizations can rejuvenate their relationships with customers and constituents by collaborating with them to drive innovation and 2) operationally, how organizations can build strong collaborative cultures and skills to engage the world's emergent network of expertise, both within and without their walls. We analyze how global sourcing and collaboration are transforming enterprise and government organizations, as they transition from relatively self-contained, closed entities to more networked, open organizations.

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