

Innovation/Web 2.0

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Web 2.0 Case Study: Barack Obama's Use of Social Media

By Christopher S. Rollyson —Monday, 29 December 2008

Conventional Wisdom Scuttled—Disruption Preview—Business in the Batter's Box

Barack Obama's presidential campaign was more than a major social media milestone because it ushered in a new relationship model among leaders and their supporters. Due to social media, an unprecedented number of individuals had a new kind of active, direct role in Obama's campaign; moreover, I predict that the Obama campaign and imminent administration will change citizens' and consumers' expectations of "leader" and "follower" roles in government and business. Amazon.com changed consumers' expectations about retail in general—information on demand, reviews, unbelievable variety at low prices—and a significant portion of Obama supporters will want to continue their support to "make the change happen." These supporters will bring their changed expectations of action and collaboration to their vendors. That means your company.

The Obama campaign is very instructive to business leaders because business customers are changing expectations of their leaders, as we'll discuss in more detail below. As the Global Human Capital Journal is not primarily focused on politics, I am less interested in the fact that Obama was elected than *how he was elected*. Moreover, I'll go on record now as predicting that you will experience Obama's use of social media increasingly in 2009, and I believe that the election will prove to be only the beginning: the Obama Administration will leverage social media in governing. Although Global Human Capital [endorsed Obama](#), I have no inside knowledge of the campaign or its strategies. Obviously, this is a huge subject, so I will use this post primarily as a way to frame an ongoing discussion so that it may prove valuable to business and government executives.

Right now, ask yourself what emerging competitors or substitutes could emerge in your market space by using social media to change some of the assumptions about your industry, sector or company. This disruption is either percolating or actively happening right now, even though many executives are not aware of it yet. To wit, in Q1 2008, I covered the Executives' Club of Chicago's "[Web 2.0 and the Presidential Election](#)," which makes fun reading now as much of its conventional wisdom was subsequently debunked by the campaign.

What happened and Why Obama's Campaign Is an Excellent Case Study

The Obama campaign epitomizes the opportunities and threats posed by disruptive technology in its early market:

- The campaign was contending with established players that had far greater resources
- There were few alternatives to putting emerging social media technology and processes in the front lines of the contest (they were desperate)
- The campaign had little chance of success if it had only used legacy processes
- Obama was not on the radar screen at first because he didn't look like a serious contender according to traditional metrics
- By using the technology, the Obama campaign was able to engage customers in fundamentally new ways
- Customers (voters) used the same technology to amplify the effect

However, this wasn't only a story of a start-up taking on an established business by changing the rules: the Obama campaign knitted together emerging processes with "traditional" political domain knowledge to create the winning bid. Barack Obama is by no means Mr. Social Media, having joined the major brands [MySpace](#), [Twitter](#), [LinkedIn](#), Facebook, etc. during 2007. He understood the



promise and acted decisively to leverage it. His experience as a political organizer stressed community, and social media is mostly about creating online P2P communities in which people can connect and act.

Social Media Good Practices

Here are some of the key moving social media parts of the Obama campaign. Please understand that this aims to be illustrative, not exhaustive.

MyBarackObama

MyBarackObama.com was designed to enable supporters to help Obama to get elected, so its features supported relevant business processes. This is an important point: serving people by designing a digital environment that helps them to do what they want to do *especially when their actions are aligned with your goals*; it becomes a win-win.



- According to Chris Hughes, the architect behind mybarackobama.com, the Internet served as "the connective tissue" that helped supporters, volunteers and campaign workers to coordinate their offline and online activities. Supporters could reach one another. They used it to organize virtual phone banks, and the iPhone application brought the phone bank to the mobile phone, the ultimate in convenience.
- Here are some numbers from Wired's [Propelled by Internet, Barack Obama Wins Presidency](#): "Volunteers used Obama's website to organize a thousand phone-banking events in the last week of the race -- and 150,000 other campaign-related events over the course of the campaign. Supporters created more than 35,000 groups clumped by affinities like geographical proximity and shared pop-cultural interests. By the end of the campaign, myBarackObama.com chalked up some 1.5 million accounts. And Obama raised a record-breaking \$600 million in contributions from more than three million people, many of whom donated through the web."
- More snippets from [Wired](#): "Obama's campaign carefully designed its web site to maximize group collaboration, while at the same time giving individual volunteers tasks they could follow on their own schedules" and "Obama campaign contacted hard-to-reach young voters through text messages, collecting thousands of numbers at rallies and sending out texts at strategic moments to ask for volunteer help or remind recipients to vote."
- Designed to help Obama supporters, the site supported key business processes such as:
 - Sharing viewpoints and why voters support Obama via video, blog post, buttons...
 - Donating and encouraging others to donate
 - Getting out the vote; helping people to register and vote
 - Organizing and mobilizing people for initiatives that support key processes
- Enabling people to create groups, very similar to Facebook. Every person who joins the site has a profile and can create and join groups to hold fundraisers, knock on doors, make calls, etc. This harnesses emergent organization.
- The site significantly reduces the transaction costs involved in supporting Barack Obama; it enables you to integrate supporting Obama into your other workstreams; for example, you're a busy manager whose flight is delayed; after doing work emails at the airport, you call three people and talk about the campaign; no longer necessary to go down to the community center phone bank!
- When you register, the site keeps track of your support activities and recognizes you for calls you've made, money you've raised, etc.
- [iPhone application](#) provides the spontaneity of mobility, one-click calls to action that support key processes above.

Leveraging Major Social Media Brands

One of the tenets of social media that holds true here in spades is "go to where your customers are." Obama made it possible for people to *participate where they wanted, how they wanted, using the tools and friendships they wanted*. People who are active in social networks have relationships; they talk about things that matter to them. Many of them couldn't even vote, but they could talk (and inspire). Legacy thinking holds that children under 18 are not relevant because they can't vote. But they can inspire and help to build a wave of change. And social media enables them to use lower transaction costs to do it. Also, group email is rapidly becoming synonymous with spam, where social networks have far less of that.

- [MySpace](#): the largest social network by many measures, with over 250 million. Too many marketers and strategists entertain the false assumption that "MySpace is for kids," but it reflects many demographic groups and changes constantly. The Obama campaign also created custom MySpace profiles for key states, so he could focus his message effectively.
- [LinkedIn](#): Answers targeting specific demographics and issues. I experienced this personally when I answered one of Barack's

questions in LinkedIn. He is participating in the P2P (peer to peer) world by enabling citizens to relate to him in the way in which they feel the most comfortable, at a low transaction cost. That means that, in a sense, I am one click away from the U.S. president elect. I've never been able to say that before as I'm neither a political operative nor a significant donor.

- [Facebook](#): Facebook excels as a platform for supporting causes of all kinds. Along with MySpace, it is a huge community of 140 million. Also see voter-organized groups such as [One Million Strong for Barack](#).
- [Twitter](#): Obama tapped into the major microblogging community, realizing some of the benefits of mobility and spontaneity.
- [YouTube](#): Leverage personal video referral to the candidate's content.
- Also see [BlackPlanet](#), [Faithbase](#), [Eons](#), [GLEE](#), [MiGente](#), [MyBatanga](#), [AsianAve](#) and [DNC Partybuilder](#). People active in social media understand that one can be active in several at once, so presence wasn't mutually exclusive.
- SMS (short message service, texting): SMS is a broadcast medium that enables spontaneity and intimacy because it is conducted by mobile phone. The Howard Dean campaign in 2004 used SMS to great effect for fund-raising and emergent organization.

Strategy: Knitting Together Old and New

Portfolio's [David Plouffe interview](#) is an excellent behind-the-scenes account of the "legacy" part of the Obama campaign. InformationWeek's [article featuring Joe Trippi's remarks](#) offers some excellent insights into the significance of the campaign. Similarly, the New York Times' [Obama's Narrator](#) gives a solid treatment of David Axelrod, one of Obama's key consultants. The point is that all these men have extensive domain knowledge in legacy politics, and the Obama campaign's success was due to an optimal mix of using the old and the new.



Politics is a very conservative proposition in this context, so, although I believe that Obama would not have won the election if he had not used social media, this is far from meaning that he won because of social media. Executives of established businesses can likewise combine the power and influence of "legacy" domain knowledge with the new social media, but this is only effective when they unlearn past assumptions that are no longer true, or that may be partially true but in different ways. Confused? You should be; this is not a simple proposition, but working through it holds the key to 21st century customer relationships. Here is a summary of the salient points of each article:

- David Axelrod was focused on breaking through, on selecting video footage in which normal people were themselves, were not polished or coached. As [I have noted](#), big brands like GM are discovering that "authenticity" often means lower production values. He also knew that they couldn't run a conventional campaign; they had to break the rules.
- Even more on point is that they focused on selling leadership, not policies. This holds many lessons for business. Although I have limited experience covering politics, I can imagine that many consultants and campaigns sell their candidates like products, replete with features and benefits ("policies" and "programs"). More profound, leadership and personal qualities and beliefs inspire more easily than policies.
- From David Plouffe, we read what may be the most revealing for the use of social media: the campaign's combination of sophisticated data modeling techniques (Bill Clinton was a pioneer here) with on-the-ground implementation powered by social media. This synergy enabled Obama to mobilize with unprecedented speed and with great effectiveness. This showed up in the results in the caucuses.
- Obama flipped the spending model on its head. As Plouffe explained, usually TV advertising is the primary bucket, and "the field" gets leftovers. Because the Obama campaign saw itself as a grassroots effort, and a key goal was to energize new voters, they invested in the field first, while TV accounted for somewhat less than half the total, a much smaller portion than normal. Another big lesson: YouTube enabled people to share and send videos to their friends, personalizing messages. In effect, it was "grassroots with digital leverage." All those hours of YouTube video viewing were better than "free" advertising; many of them were forwarded by friends.
- Plouffe focused the campaign on P2P, and he organized around that reality. The Clinton campaign had most of the other advantages, of the big media attention and the legacy Democratic organizations. Obama was more focused on the ground, on running numerous local campaigns, where Clinton ran a big national campaign. Here again, social media enables people to self-organize and focus on what's important to them when they have the tools *and the candidate gives them actionable ways to interact in a meaningful way*.
- When Obama announced his candidacy in January 2007, he was an extremely long shot, and the campaign did not attract legacy Democratic players. The senior team was comprised of people who took substantial pay cuts, who weren't really thinking about what job they would want in an Obama administration. They believed in the change, in doing it as an end in itself. This also meant less in-fighting and bickering within the campaign. Plouffe actually attributes their lack of pre-planning as an advantage: "...the electorate changes and technology and techniques change so we weren't wedded to any of the old ways of doing things."
- Social media also enabled the campaign to bring a far more unified message to market because "we were the main actor," according to Plouffe. Individuals contributed a substantial portion of the total, so the campaign did not depend on the DNC to run

things (read "in-fighting" and "legacy").

- "Donate" buttons were everywhere ;^)" I say that with tongue in cheek, but let's say you watched an inspiring Obama speech; the campaign made it actionable for you to donate \$20, \$100 or \$1,000 right on the spot. Each donation or call was another interaction between the person and the campaign, making it seem more personal for a greater portion of the people. When people put money in the kitty, they literally invested. They didn't have to go to \$500 a plate fund-raisers, they could contribute right from Facebook. It was grassroots meets mainstream venue.
- According to Joe Trippi's remarks in [How Obama's Internet Campaign Changed Politics](#), the Internet enabled Obama to organize supporters far more quickly and inexpensively than ever. The article did not mention the keyword "emergent organization," but this is a textbook case for it. Online social networks enable people to self-organize in any way that makes sense to them, very quickly.
- Trippi, Web guru behind Howard Dean's 2004 campaign, [goes even further](#): Obama will use social media to garner support for key initiatives, potentially end-running Congress by going direct to the people. During Web 1.0, we called this "disintermediation."

Ancillary Benefits: Making It Easy to Participate

Although this is speculation, I believe that the Obama campaign's presence in social media venues encouraged people to bond with the man, the ideas and the movement, and to participate more.

- This led to several influential cases of the Web 2.0 *bête noire* of marketing (and political) strategists: UGM/UGC (User-generated media/content). See Will.i.am's [Yes We Can](#), Obama Girl's [I Got a Crush on Obama](#) and [Hillary 1984](#).
- The [design of the Obama logo](#), and the campaign's encouragement of groups to use it for their own acknowledged the recognition that brands should give up control. Give people tools. Yet the logo also can unify.
- Artists were recognized for designing t-shirts and other memorabilia ("[Artists for Obama](#)"). There were myriad voter-organized groups on Facebook and MySpace.
- A big lesson for brands: make it easy for people to make you their own. Using social media, people could act on their desire to get involved *at a low transaction cost, and very visibly*. This increases leverage.



Takeaways for Business Strategy

Lessons Learned for Business and Government

- It is easy to think intellectually that "the individual" now has scale, but it is difficult for market leaders (Clinton campaign) to imagine how the effects will manifest. Market leaders know the score, and they have had the advantages—but assumptions are built in, and social media changes enough of them to change the rules in most industries. Executives have to be rabidly focused on what will happen when their stakeholders self-organize, mirror each other's interests, magnify the interests into passions and make a lot of noise. This can change expectations fast. Think it as "grassroots" on steroids." It is likely very applicable to your business.
- Web 2.0's profound impact on the election *and the political process* happened far more quickly than [political and Web 2.0 experts predicted](#), including yours truly. Even the Obama team was surprised at the results. This is clearly an emergent phenomenon. I think it likely that change to business will unfold more quickly than expected as well. I will advise my clients to prepare for significant disruption in 2009. This is a no-lose scenario; Web 2.0/social media adoption will be pervasive, and organizations will have to learn how to realign their operations to [prosumers](#). Why not do it earlier than required and derive more [relationship capital](#) from the effort? Doing so will increase your credibility with stakeholders.
- Beware legacy thinking in your organization; disruptive change virtually always presents as a fringe activity at first, as the Internet did in the mid-1990s. [The Facebooker Who Befriended Obama](#) offers this dismissive quote from Mark Penn, then the chief strategist for Hillary Rodham Clinton: "Barack Obama's supporters 'look like Facebook.'" Harbor this attitude at your organization's peril.
- WebProNews's excellent [Eight Reasons article](#) is very much in synch with ongoing social media research: people increasingly trust "someone like me" over some expert or organization representative. Bloggers and online media have eclipsed "mainstream" media in many ways—and very quickly. Online sites and blogs are increasingly driving mainstream news. For grins, see [Global Human Capital's reportage](#) of three political experts declaring at the Executives' Club in January 2008 that Web 2.0 would have a minimal impact on this election!
- The Obama campaign facilitated supporters' use of Web 2.0 tools and social media, but it tempered it by leveraging video, audio and text of Obama's own thoughts. According to [Obama volunteer Joe Baker](#), the strategy was for supporters to send people to what *Obama himself had said or written*, and social media made content available in any way imaginable. Think packaging and distribution options. Baker also built an Obama campaign headquarters in Second Life, where people could discuss anything with

anybody.

- Joe Trippi: "... millions of citizens sign up to help the president pass his agenda... If the president says, 'Here are the members of Congress who stand in the way of us passing health care reform,' I would not want to be one of those people. You'll have 10 or 15 million networked Americans barging in on the members of Congress telling them to get in line with the program and pass the health care reform bill. That will be a power that no American president has had before."
- Social media is global *and* getting things done will increasingly require global collaboration. The Obama campaign was and is an international phenomenon. This could have many kinds of surprising consequences for politics and business. For example, when the U.S. is negotiating a bilateral or multilateral agreement, what if supporters had conversations with citizens of those countries, and each citizen group pressured its lawmakers? I admit that this may seem farfetched at first, but it could be very disruptive to established interests. Established interests that think of themselves first and don't add value will be disintermediated. We already learned during Web 1.0 that transparency and communication tools and processes drive disintermediation.

Considerations for Immediate Action

- Realize that Web 2.0 will prove to be far more disruptive than Web 1.0 because it changes how people find and relate to each other—and the speed of mobilization. It will prove core to relating to many of your stakeholder groups. Keep in mind that, just like the Internet, you will eventually move communications to social media, and you will let customers and other stakeholders participate in "your" brand in new ways. The how, when, why are unknown to most executives, but you need to make it a priority to understand adoption milestones, so you don't get caught by surprise.
- Carefully select a top member of your firm to champion Web 2.0. I can't say it often enough: remember the mid 1990s when the prevailing wisdom was that the Internet was for geeks and no real business would do business online. Yes, the boom ended up discrediting itself as a get-rich scheme, but the Internet is like electricity now. Realize that many people in your management team will prefer the status quo.
- Social media digitizes word of mouth, and people talk most about exceptions, what bothers them most or what inspires them. Think about ways that you can:
 - Make it easier for people to talk by using social media to lower the cost for people to find others with their interests
 - Help them communicate at a low cost (social networks are largely asynchronous, so they fit busy schedules)
 - Act in remarkable ways, and give people tools to make it easy to talk about it. Participate in discussions, but enable stakeholders to own them.
- Adopt an ecosystem mindset. You need to create an implementation plan that facilitates stakeholder activity in major branded venues like Facebook, but also field your own venue when you can add unique value to stakeholders, support business processes you care about, and ask for stakeholder support. The Obama campaign story is an excellent example. The [Social Network Roadmap](#) is a structured approach (full disclosure, I designed it).
- Trust your stakeholders to discover and do the right thing. Your relationship with them is changing under your feet; smart organizations are becoming more cooperative by sharing "control." The Obama campaign could not have succeeded without supporters like Joe Baker and thousands like him. It energizes people to contribute in a meaningful cause *even more than if you had done everything for them*.
- Consider the Obama Administration as a real-time case study. Social media is its O/S (operating system). Many of the United States' problems are the result of organizational sclerosis, and letting people self-organize and support is a force waiting to happen. *And people like it*. All the Obama supporters got a taste, and many will be motivated to help even more. It remains to be seen how Obama will reach out and ask for support. [Wired's take](#): "... many hope that Obama will bring this approach with him to the White House. Obama almost has no choice as he faces the task of rebuilding Washington's credibility with voters." Yes, you could write that off as hyperbole, but think about intractable problems like [U.S. healthcare](#), a dysfunctional system comprised of established interests, politicians and businesses. Many voters will conclude that it won't change fast enough by itself, so it's a prime candidate for disruption.
- As soon as possible get to transparency and cooperativeness with stakeholders. The more transparent and collaborative, the stronger your organization will be as a competitor. You can change your market position significantly by adopting faster than competitors and substitutes, but the window to be a market leader in many industries is closing fast.
- Lastly, think small. Industrial Economy marketing held that the only things worth watching were big numbers and big initiatives. Many people doing small things can have a big impact *when they are using digital social media* because it affords so much leverage. Many small numbers can roll up to a big number. Web 2.0 is many-to-many communication out of the box, where Web 1.0 was about delivering information on demand in a one-to-many pattern. Many-to-many means geometric growth and acceleration.
- What do you think? Will the Obama campaign impact social media adoption in your organization? Why or why not?



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 over fifteen 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.

Recently 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>

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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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