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LISTEN UP ON SOCIAL MEDIA

It drives the news agenda and it's essential for companies to pay attention to what's being said about them in this important forum.

Social media is only growing in importance and public companies must listen to the feedback it provides as part of an effective investor relations program.

Search engine marketing, podcasts and social media channels like Twitter, LinkedIn, YouTube and Reddit, provide a rich feedback machine for public companies. They deliver ongoing commentary on topics that affect a company's brand and financial health.

Many news stories break on, and gather steam in, social media channels as consumers discover and share them – increasing the likelihood that trade media, national media and investors will read, share and react to them. That's why it's important to listen to what people – including employees, customers, fans, activists and competitors – are saying about a company and its products on social media.

Understanding what's said

While each social media platform has a search engine that investor relations officers (IROs) can use to find discussions about the company, it's also useful to employ a monitoring system. These services track the company's name, brand names, leadership team – as well as frequent misspellings of them. Monitoring can help uncover misconceptions about the business that need to be rectified and determine which messages are being heard. IROs can use this information in their work.

A monitoring system can track online discussions and who or what is driving debate, such as news releases, competitor news, a false rumor or internal leak. The sooner a situation is identified on social media, the sooner it may be rectified.

Sharing for impact

Social media is a two-way channel designed to enhance communication between listed companies and their audiences. So it is just as important to participate in discussions as it is to listen to them.

Companies should consider establishing a brand account as well as accounts for senior executives; promoting accounts internally and externally across all channels to lift follower numbers.

When publishing corporate news, consider sending pre-approved messages and links to staff and company partners to increase the reach and visibility of news.

Local heroes

Many ASX-listed companies use social media channels to reach their audiences and clarify messages. Here are some stand-out case studies.

In one example, Cleanway Waste Management generated strong engagement on LinkedIn with its half-year results infographics.

This is a terrific way to supplement financial news releases. Including a screen shot of the report tripled the size of the post, making it easier to attract viewers.

Turning to video, Santos provides quarterly and full-year results summaries on YouTube to complement text-heavy documents like earnings releases. It's also a good way to communicate with audiences who prefer to hear and see rather than read.

Telstra releases two half-year results videos. One is a pre-created explanation of the numbers, the other is a livestream of their webcast. These videos visually and audibly explain earnings numbers and dividend policies.

Through video, both companies are able to highlight the most important elements of the release. By featuring their CEOs, companies are putting a face to their financials, helping to increase trust between the business and its financial and consumer audiences.

It's also important to understand social media's limits. While they offer broad reach, they are advertising networks. Listed businesses must ensure they meet ASX's continuous disclosure obligations at all times.

Social media monitoring and engagement are essential for every public company. They give companies the ability to protect, shape and grow their business around the globe in a world in which a single tweet can affect stock prices.



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